



Daily Report

China

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20 October 1989

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General

UN Representative Lists Antiterrorism Principles

OW2010091289 Beijing Domestic Service in Mandarin
0300 GMT 18 Oct 89

[From the "News" program]

[Text] According to our reporter (Qian Yirun) stationed at the United Nations, Chinese representative (Sun Lin) addressed yesterday's session of the Sixth (Legal Affairs Committee) of the UN General Assembly, expounding on China's stand against terrorism. He said that China has consistently opposed and condemned terrorism and is against the use of terrorist acts in political struggle.

He said: China maintains that effective measures against terrorism should consist of five basic elements: All countries should firmly oppose any form of terrorism; terrorism should be viewed as an international crime and punished according to the laws of the countries concerned as well as the international law; all antiterrorist mechanisms available at present should be used to the fullest extent; international cooperation should be promoted and expanded; and the struggle against terrorism should be combined with efforts to eliminate the sources of terrorism.

(Sun Lin) also pointed out the need to make a correct distinction between terrorist acts and the struggle for national liberation. He said: Although terrorism is rather hard to define, China believes that this question can be resolved through full consultations among representatives from all countries.

State Supports UN Security Efforts

OW2010015589 Beijing XINHUA in English
0134 GMT 20 Oct 89

[Text] United Nations, October 19 (XINHUA)—China said here today that it supports the U.N. efforts to seek new and effective ways to protect the security of all countries, especially that of the small states.

Speaking at the Special Political Committee, Chinese delegate Yu Shuning said that because of the special situation where the small states are more susceptible to injustice, "the United Nations mechanisms should play a greater role in protecting their security."

He pointed out that despite the continued move from tension to relaxation in the international arena, "today's world is not trouble-free."

In international relations, he said, hegemony and power politics continue to manifest themselves. Such cases as the big bullying the small, the strong domineering over the weak, imposing one's own will on others or even violating others' territorial sovereignty by force and compromising their territorial integrity still occur from time to time.

He stressed that the social system of a country should be left for its own people to choose and no foreign forces have the right to interfere.

"The international community should unanimously condemn and resolutely stop all such acts as attempting to change the government and the social system of other countries by exerting political, economic and cultural pressures, or even by intervening with military force or mercenaries," he said.

A draft resolution sponsored by 39 countries including Cyprus, Maldives, Fiji, Singapore and Seychelles will have the General Assembly recognize that small states may be particularly vulnerable to external threats and interference and stress the obligation of all states to respect the principle of territorial integrity.

The draft resolution, which was introduced to the committee by the representative of Maldives, is expected to be adopted tomorrow.

WHO Population Planning Yields Results

OW2010021089 Beijing XINHUA in English
1531 GMT 19 Oct 89

[Text] Shanghai, October 19 (XINHUA)—Significant achievements have been made in the scientific and technological co-operation for population planning between China and the World Health Organization (WHO), according to an international symposium on advances in fertility regulation research, which closed here today.

The symposium reported that co-operation programs for personnel training, information exchange and instruments and equipment supply have been carried out between the two sides since 1979.

Over the past decade, the WHO has provided 17 million U.S. dollars to aid the work of China's eight research institutes of population planning, and another 158 individual research projects.

Thanks to this co-operation, great strides in contraception and fertility research have been made by China, the symposium was told.

UN Adjourns Meeting on Refugee Repatriation

OW1910002889 Beijing XINHUA in English
0236 GMT 18 Oct 89

[Text] Geneva, October 17 (XINHUA)—The Directory Committee in charge of a global action program to deal with the Indochinese refugees has made no decision today on the repatriation of those Vietnamese boat-people who cannot be identified as refugees after a 2-day meeting in Huis-Clos, Switzerland.

A spokesman for the UN High Commission for Refugees said this evening that the meeting could agree either on

forcible and voluntary repatriation of the Vietnamese boatpeople, nor the time for such actions. [sentence as received]

"But those who do not assume refugee status will have no choice but return to their country, Vietnam," he said.

A delegation from Hong Kong, where the biggest Vietnamese boatpeople camps are based, has asked the UN-affiliated committee to immediately adopt "complementary measures," including forcible repatriation of those Vietnamese who do not attain the "refugee" status.

Such measures should be taken because a "reasonably long" period has been given to them to go home voluntarily, said the Hong Kong delegation.

The Hong Kong authorities said that many Vietnamese boatpeople who came to Hong Kong in the past few months out of economic reason rather than political persecution.

A proposal for forcible repatriation of Vietnamese from Hong Kong was formally put forward by Britain in June after thousands of Vietnamese boatpeople arrived in Hong Kong. But the United States is opposed to the proposal.

The seven thousand Vietnamese refugees in Hong Kong have recently been going on hunger strike protesting against the British proposal for forcible repatriation.

Experts Give Advice on Administrative Reform

OW1910133589 Beijing XINHUA in English
1304 GMT 19 Oct 89

[Text] Beijing, October 19 (XINHUA)—Senior government officials, scholars and experts from 14 countries and international organizations here today expressed their support for China's efforts to reform its governmental administration while making constructive suggestions.

Many participants at the four-day international symposium on reform of the administration shared the view that the governments at all levels should reinforce their functions and play a leading role in economic and social management through policies, plans and coordination.

The government should also exercise necessary control over enterprises so as to prevent the public interest from being infringed upon and ensure a healthy development of the economy as a whole, they stated.

Priority should be given to the social effects, particularly of those undertakings and public facilities as railways and postal services, they noted.

Some experts suggested that governments render better service to the people through training of functionaries to strengthen the links between the administration and the public.

It is all the more important to provide better service for the people by institutions which have a direct bearing on

the image and working efficiency of the government among the people. Such institutions include the taxation, licensing and passport issuing, and public health departments. To improve the services of these departments would be conducive to improving the relationship between the government and the people, and to minimizing complaints by the people.

Touching on the relationship between the central and local governments, which was one of the focusses of discussion, many participants voiced their support for the decentralization of power to local governments by the central government, as China has already started to do.

However, they said, the decentralization should be based on an explicit guiding principle and concrete contents, specifying clearly the rights and powers exclusively enjoyed by the central and local governments, and those jointly enjoyed by them. Even though some power has been decentralized to the local governments, the central government should also exercise overall control and readjustment by means of legislation, planning and financial measures. And careful and effective steps should be worked out to guarantee the division of functions of the central and local governments.

The establishment of relevant institutions to conduct scientific policy-making and improving administration through legislation are also very important in the reform of the government administration, some scholars and experts stressed.

The suggestions from foreign experts were described as "very constructive and valuable" by Zhang Zhijian, director of the office of the State Commission for the Establishment of Governmental Organizations, and Wu Peilun, deputy director of the office.

Liaoning Capital Concludes International Fair

SK1410120789 Shenyang Liaoning Provincial Service
in Mandarin 2300 GMT 12 Oct 89

[Text] After 7-day talks, the international economic and technological cooperation fair sponsored by the city of Shenyang with regard to preparing for the development of the city's Tiexi Industrial Zone concluded on 12 October.

During the fair, among those which were invited to the fair were 279 businessmen from 17 countries and territories around the world, including Japan, the Soviet Union, the Federal Republic of Germany, the Federal Republic of Nigeria, Italy, the United States, and Hong Kong. They made extensive contacts and held fruitful talks with more than 100 plants, enterprises, and various import and export corporations throughout the city of Shenyang.

According to statistics compiled up to news time, contracts, agreements, and letters of intent, including the 96 items of joint venture business, cooperative production, the processing of products with materials and sample

provided from abroad, the assembling of machines with parts provided from abroad, and of compensatory trade, were signed during the fair. There are 61 contracts worth \$446.4 million, of which \$100.4 million in foreign funds are available; and 35 letters of intent, of which \$65 million in foreign funds are available. Of these contracts, six signed with the Shenyang Erguolou Electronic Ltd Company jointly run by China and the United States, the Shenyang Dapeng Cable Ltd Company, and the Shenyang Keli Petroleum Products Ltd Company, involve foreign funds of more than \$3 million. At present, some foreign businessmen continue to come to Shenyang City and continue to hold talks with the relevant city enterprises.

The overall bumper harvest of the city's international economic and technological cooperation fair has played an effective role in promoting the overall project designed for developing the city's Tiexi Industrial Zone and accelerating the pace in the city's policy on opening to the outside world.

Export Commodities Fair Opens in Guangzhou

HK1610022989 Hong Kong HONGKONG STANDARD (BUSINESS STANDARD) in English 16 Oct 89 p 3

[By Cheung Lai-kuen in Guangzhou]

[Text] The Guangzhou Trade Fair, the most important gathering of China traders in the country and the first since the bloodshed of June 4, opened yesterday amid concern that the slumping economy is crimping overseas sales.

With more than 5,000 overseas buyers gathered here—some 2,000 of them from Hong Kong, Macao and Taiwan—traders agreed this would be the most difficult fair since the mid-1950s.

The event, titled the 66th Chinese Export Commodities Fair, is held each spring and autumn in Guangzhou. The most important trade event in China, deals for some 27 percent of China's total exports were signed during the 1987 fair.

Not only is the pall of June 4 hanging over traders, so is the deteriorating Chinese economy.

A major concern is the rapidly increasing value of the yuan.

China is facing a severe shortage of currency after Beijing tightened up the money supply.

As a result, the limited amount of cash flowing through the system is causing major fluctuations in the exchange rate between foreign currencies and the yuan in the official Foreign Currency Exchange Tradition Centre.

Some delegates yesterday told BUSINESS they were pessimistic that they could follow through on signed contracts with overseas buyers.

Representatives from import and export corporations admitted they were worried that the contract prices signed during the fair might not cover the eventual cost of production.

"We sign the contracts according to the current costs, but the shipments—won't be delivered for the next six months or even a year," pointed out one delegate.

"But the production costs of some items in hot demand are increasing day by day as the result of the country's overheated economy and high inflation."

The trader said his enterprise is very cautious about signing new contracts because it couldn't calculate the future trend of the yuan's exchange rate.

Economists from the Ministry of Foreign economic Relations (MOFERT) expected the yuan will continue to appreciate in the near future.

Yet delegates here pointed out they are not allowed to sign contracts with overseas buyers on the assumption that the yuan will continue to appreciate, as the sales prices were fixed by the official Import & Export Corp.

One economist said that he expected the yuan to appreciate to the level of 0.5 yuan to U.S.\$1 in the grey market, or official foreign exchange trading centers.

The official exchange rate of the yuan in banks in China was U.S.\$1 to 3.7 yuan. In contrast, U.S.\$1 could buy more than 7 yuan last year.

But the grey market rate of the yuan has continued to decrease during the first part of this year. The grey market rate is currently U.S.\$1 to 6.1-6.2 yuan, and it has fallen below the 6.0 level in Xiamen recently.

One representative from a Chinese textile exporter said the official import and export corporations are losing money on overseas sales, due to rapidly increasing inflation in China.

The government is subsidising the losses. While enterprises won't allow contract prices to be changed, MOFERT says it will share the loss made on any contracts with foreign buyers.

However, one official from an industrial development bureau in Hainan said his organization didn't receive any money from the central government, which was to pay compensation for the losses.

Apart from the currency fluctuations, the Import & Export Corp is also more cautious about signing new contracts, as it expected MOFERT would put more restrictions on what could be exported.

Officials from the regulations division of MOFERT disclosed that it could seek to curb the practice of Chinese exporters concentrating on "hot items" which were also in demand inside China.

Meanwhile, the vice-chairman of the fair, Wang Ping, also the vice-minister of MOFERT, said he expected the total value of contracts signed during the fair to surpass the level during the spring event. That contrasts with a more pessimistic view from foreign buyers.

Some U.S.\$5.2 billion in orders was signed during the spring trade fair.

There are nearly 1,000 buyers from Japan, and 1,850 from foreign countries. An official from the organizing committee said he expected attendance would be down about 10 percent from the spring fair, but that the Hong Kong buyers would remain active.

Observers Attend Tin Association Conference

*OW1610134889 Beijing XINHUA in English
1318 GMT 16 Oct 89*

[Text] Bangkok, October 16 (XINHUA)—Ministers of the Association of Tin Producing Countries (ATPC) began a two-day conference here today to work out an agreement on continuing the supply rationalization scheme (SRS).

Under the SRS, ATPC members are given quotas for their tin exports within a time-frame of one year. The first quota agreement was reached in Jakarta, Indonesia, in 1986 after a severe crisis in tin exports in 1985.

Thai Industry Minister Banhan Sinlapa-Acha, who is chairman of the 7th session of ATPC ministerial conference, said in his opening address that SRS "should continue, due to uncertainty in the world market and other factors."

"In the long run, SRS will be in the best interests of all tin-producing countries," he said.

After the morning session, Banhan told reporters that Malaysia continues in supporting current export controls of tin and called on Brazil and China to join in the ATPC.

However, Brazilian Minister of Mines and Energy Vicente Fialho said that it will take at least two years for Brazil to consider whether it would join ATPC. But he pledged that Brazil will cooperate with ATPC in the supply rationalization scheme.

China's representatives, who attend the conference as observers, also expressed their willingness to cooperate with ATPC in the supply rationalization scheme.

Prior to the ministerial conference, the ATPC Executive Committee held a two-day meeting here last week, working out reports and proposals for the ministers to approve.

A Nigerian representative said that the ATPC members have agreed in principle to continue the SRS, but details have to be worked out during the conference.

The 7th session of ATPC conference of ministers is attended by ATPC members Australia, Bolivia, Indonesia, Malaysia, Nigeria and Thailand, and Brazil, China and Myanmar (Burma) as observers.

Tin Exporter Group Renews Membership Invitation

*OW1410041989 Beijing XINHUA in English
1531 GMT 13 Oct 89*

[Text] Bangkok, October 13 (XINHUA)—The 24th session of the Executive Committee of the Association of Tin Producing Countries (ATPC) ended here this evening, with agreement reached on tin exports.

The proposal will be submitted to the 7th ATPC conference of ministers for consideration.

Representatives of Thailand, Malaysia, Indonesia, Nigeria, Australia and Bolivia as well as observers from China and Brazil reviewed the current and prospective tin market situations during the meeting.

Participants agreed to recommend to the conference of ministers to be held here next week that the third supply rationalization scheme (SRP) be continued as planned until February 1990.

The first SRP was worked out by the ATPC conference of ministers at its fourth session in Jakarta in October 1986, after a severe crisis in tin export in 1985.

The meeting also agreed that for the sake of conformity, the period of the fourth SRP for ATPC members should be that of a calendar year.

Participants agreed to recommend to the upcoming ministerial conference that both Brazil and China be requested to take note that formal invitations to join the ATPC, extended to both countries thus far, continue and that given the current market situation, it is timely for both countries to respond positively for the mutual benefit of all producers.

United States & Canada

Roundup Views Dispute on CIA Assassination Ban

*HK1910153289 Beijing XINHUA Hong Kong Service
in Chinese 1327 GMT 19 Oct 89*

[Roundup: "What Leeway Is CIA Seeking?"]

[Text] Washington, 18 Oct (XINHUA)—The dispute in U.S. political circles over the 3 October abortive coup d'etat in Panama has now focused on the role of the Central Intelligence Agency [CIA]. Some blame CIA director Webster for his neglect of duty and for failing to provide accurate information at the critical moment, making it difficult for President Bush to make a decision and losing a golden opportunity to remove Noriega, who holds real power in Panama. Sumu, White House chief of staff, even said that he learned more about the Panama coup d'etat from television than from the CIA.

However, Webster refuted the statement, saying that the long-standing order banning political assassinations abroad has bound the CIA hand and foot. He urged the White House to "untie" the CIA and allow it to "freely" engage in so-called activities of overthrowing "dictators" and "terrorist" leaders.

To stop the dispute, President Bush appeared in public to pacify the people concerned. He telephoned and also personally met Webster, saying that his work in the CIA was "satisfactory." White House Press Secretary Fitzwater also said that the White House supports Webster's request for "untying."

The order banning CIA political assassinations abroad was actually an executive order signed by President Ford in January 1976. The order stipulated that "no employee of the United States Government shall engage in, or conspire to engage in, political assassination. No government organ shall engage in, or ask anyone to engage in, activities banned by the order." Later, both President Carter and President Reagan confirmed the order.

President Bush's National Security Advisor, Brent Scowcroft, participated in the drafting of the executive order in the capacity of national security advisor to President Ford from 1976 to 1977. But Scowcroft now publicly says that it has restrained the "hands and legs" of U.S. governmental agencies and demands that it be revised.

The U.S. press revealed several days ago that the Department of Justice, in a departure from its past position, has decided to give the Federal Bureau of Investigation the power to arrest abroad those who, in the eyes of the United States, are "suspects" without prior permission by the state authorities concerned. The two developments could not demonstrate more clearly that as a superpower, the United States is increasingly unscrupulous in dealing with the "strongman" of little Panama.

However, such barbaric interference in another country's internal affairs has aroused opposition among U.S. congressmen. House Intelligence Committee Chairman Beilenson said that it is "not fair" to revise the executive order using the Panamanian incident as an excuse. Senate Intelligence Committee Chairman Boren also stated that he will have to "look" to see if it is necessary to revise the order.

Song Jian Receives Visiting Canadian Professor

OW2010111989 Beijing XINHUA in English
1020 GMT 20 Oct 89

[Text] Beijing, October 20 (XINHUA)—Song Jian, state councillor and minister in charge of State Science and Technology Commission, met here today with David C. T. Pei, professor of Canada's University of Waterloo.

Professor Pei is here to implement the Sino-Canadian program on university education management.

Soviet Union

Delegation to Border Talks Arrives in Beijing

OW1910160089 Beijing XINHUA Domestic Service
in Chinese 1311 GMT 19 Oct 89

[“Local Broadcast News Service”]

[Text] Beijing, 19 Oct (XINHUA)—The Soviet Government delegation to the fourth round of Sino-Soviet border talks, which is led by Rogachev, head of the delegation and vice foreign minister, arrived in Beijing by special plane at noon today. The delegation was met at the airport by Tian Zengpei, head of the Chinese Government delegation and vice foreign minister, and Soviet Ambassador to China Troyanovskiy.

Inner Mongolia, Beijing Cooperate in Trade

SK1710042289 Hohhot Inner Mongolia Regional
Service in Mandarin 1130 GMT 16 Oct 89

[Text] The autonomous regional government and the Beijing municipal government recently agreed after discussions that a work group will be organized by the planning commissions, economic cooperation offices, foreign economic relations and trade commissions, and tourist bureaus of both sides to carry out trade with the Soviet Union. Pei Yingwu, vice chairman of the autonomous regional government, introduced our region's advantages in trade with the Soviet Union to responsible persons of relevant departments of Beijing Municipality. He said: Inner Mongolia possesses very favorable geographical conditions for opening to the outside world, particularly to the Soviet Union. In addition to the land trading outlets of Manzhouli and Erenhot, we have the two newly opened second-level trade outlets of (Shiweizhen) and Heishantou, and a highway in Manzhouli for transportation to the Soviet Union. Erenhot's two railways that are linked to the railways of the Soviet Union enable the period for transportation to Moscow and [words indistinct], a boundary between east and west Europe, to be cut by two-thirds. Inner Mongolia's policy for the trade with the Soviet Union is that of associating with the south and opening to the north. We wish to associate with Beijing first.

Zhang Jianmin, vice mayor of Beijing Municipality, said: Contracts for Beijing to provide woolen textiles, light industrial and electronic products, and establish joint enterprises will be signed by Inner Mongolia, and Beijing will cooperate with Inner Mongolia in providing resources and tourism.

Southeast Asia & Pacific

Thai Deputy Prime Minister Rattakun Visits

Arrives 19 Oct

OW2010085889 Beijing Domestic Service in Mandarin
1930 GMT 19 Oct 89

[From the "National Hookup" program]

[Text] Phichai Rattakun, deputy prime minister of the Kingdom of Thailand, and his party arrived in Beijing by plane this afternoon on a friendly visit to China at the invitation of the Chinese Government.

This is Deputy Prime Minister Phichai's third visit to China.

Greeting him at the airport were Chinese Vice Premier Tian Jiyun, Vice Foreign Affairs Minister Liu Shuqing, and others.

Feted by Tian Jiyun

*OW1910162989 Beijing XINHUA in English
1558 GMT 19 Oct 89*

[Text] Beijing, October 19 (XINHUA)—Chinese Vice-Premier Tian Jiyun hosted a banquet in honor of Phichai Rattakun, deputy prime minister of Thailand, and his party here this evening in the Great Hall of the People.

In his toast, Tian said that regular exchanges of visits between the leaders and at other different levels of China and Thailand have enhanced mutual understanding and friendship, and vigorously promoted the economic, scientific and technological, and cultural co-operation, among other fields, between the two countries. He expressed satisfaction over such good relations.

The vice-premier also expressed appreciation and thanks to his Thai counterpart for the Thai Government's attitude toward China's quelling of the anti-government turmoil earlier this year, adding that this showed the friendship between the two peoples could withstand a severe test.

On the Kampuchea question, Tian said that the Chinese Government has always stuck to an all-round, just and reasonable solution to this.

For a long period, he said, Thailand has been upholding justice and playing an important role in seeking a political solution to the Kampuchea question.

He assured the guests that the Chinese Government will, as always, consolidate close co-operation with Thailand, other Southeast Asian countries and other nations and make unflagging efforts to attain the goal.

In his return toast, Phichai Rattakun said that he felt glad to see that since the quelling of the Beijing unrest, the Chinese Government has, on many occasions, reiterated to the world that it will not change its reform and open policy, its independent foreign policy of peace or its policy of strengthening friendly co-operation with its neighbors.

Tian met his Thai counterpart prior to the banquet.

Phichai Rattakun arrived in Beijing this afternoon at the invitation of the Chinese Government. Tian greeted him and his party at the airport.

Burmese Goodwill Delegation Visits Beijing

*OW1910195689 Beijing XINHUA in English
1655 GMT 19 Oct 89*

[Text] Beijing, October 19 (XINHUA)—General Qin Jiwei, state councillor and minister of national defense, met with a goodwill delegation from Myanmar (Burma) led by Lieutenant-General Than Shwe, commander-in-chief of the Myanmar Army, here today.

While extending a warm welcome to the delegation on behalf of the Chinese Ministry of National Defense, Qin said that China and Myanmar are very friendly to each other and the two peoples have a long-standing traditional friendship.

The Chinese general briefed the guests on the great achievements scored by the Chinese people over the past 40 years since the birth of New China, particularly over the past 10 years since China began its reform and open policy. He said that, along with the development of the national economy, China's national defense industry has also made marked progress.

Qin stated that China will persist in its independent foreign policy of peace and strengthen its unity and co-operation with Third World countries.

"It is in the interests of the two countries to strengthen the friendship and exchanges between the two countries and two armies," he said.

Shwe noted that his country cherishes its friendship with China and the delegation's China trip aims to further enhance the friendly relations between the two countries and two armies.

They also exchanged views on issues of common concern.

After the meeting, General Xu Xin, deputy chief of the General Staff of the Chinese People's Liberation Army, gave a dinner in honor of the delegation.

The delegation arrived here yesterday and is scheduled to tour Beijing, Shijiazhuang, Nanjing, Shanghai and Guangzhou.

Lao Newspaper Hails Kaysone Phomvihane's Visit

*OW1910214289 Beijing XINHUA in English
0837 GMT 19 Oct 89*

[Text] Ha Noi, October 18 (XINHUA)—The Laotian party newspaper "RASASON" said that Laotian party leader Kaysone Phomvihane's recent China visit shows that relations between the two countries have been fully restored.

In an editorial Monday, quoted by THE LAOTIAN NEWS AGENCY, the paper said the visit marks the high point in the relations between the two parties, states and peoples.

Thanks to the common efforts, Kaysone, general secretary of the Lao People's Revolutionary Party and

chairman of the Council of Ministers of Laos, visited China October 5-12 and conducted all-round talks with the Chinese leaders and signed a number of documents with the Chinese Government.

The visit is not only in keeping with interests of the two peoples but also contributes to peace, stability and cooperation in the region, the paper noted.

It concluded that the visit will surely promote the development of the relations between the two countries.

Sub-Saharan Africa

Zhu Xuefan Meets South African Group

OW1910121689 Beijing XINHUA in English
1209 GMT 19 Oct 89

[Text] Beijing, October 19 (XINHUA)—Zhu Xuefan, vice-chairman of the Chinese National People's Congress Standing Committee, met and hosted a banquet here tonight for a delegation of friendly personages from South Africa.

The delegation is led by Peter Soal, parliament member from the Democratic Party of South Africa.

Zhu spoke highly of the steady growth of people-to-people friendly contacts between the two countries in the past few years.

He said that the Chinese people have always sympathized with and supported the South African people in their just struggle against the apartheid system and for racial equality and democratic rights, and strongly condemned the South African authorities for their inhuman practices of racial discrimination against and oppression of black people.

As guests of the Association for International Understanding of China, the visitors have been here to strengthen people-to-people contacts with China and make themselves acquainted with China's current political and economic situation.

UN Envoy Calls for Fair Namibian Elections

OW1910214189 Beijing XINHUA in English
1936 GMT 19 Oct 89

[Text] United Nations, October 19 (XINHUA)—China said here today that a fully assured, just and free general election in Namibia scheduled for November is the key to its achievement of independence.

Addressing the fourth committee during the debate on the implementation of the declaration of decolonization, Chinese Ambassador to the United Nations Yu Mengjia urged the South African authorities to "refrain from taking any actions which will disrupt the general election in Namibia and undermine the realization of Namibian independence as scheduled."

Referring to the question of some non-self-governing territories, Ambassador Yu reiterated China's sympathy with and support for the just struggle of the people in colonies and non-self-governing territories for self-determination and independence.

He urged the administering powers to "fully respect the will of the people in these territories and their right to freely decide on the future status of these territories."

With regard to the question of foreign military activities in colonies and non-self-governing territories, the Chinese delegate said, "We are always opposed to the stationing of troops by any country on the territory of other countries and to the establishment of military bases and installations there."

He said all foreign troops should be withdrawn and all foreign military bases and installation dismantled.

According to a U.N. document, there are still 17 territories under foreign administration. They include New Caledonia, Bermuda, the British Virgin Islands, Gibraltar, the U.S. Virgin Islands, American Samoa and Guam. Under the U.N. Charter and the principles laid down in the declaration of decolonization, people in the non-self-governing territories are entitled to the inalienable right to self-determination and independence.

West Europe

France Warns Exiles on Political Activity

AU2010081889 Paris AFP in English 0641 GMT
20 Oct 89

[Text] Paris, Oct 20 (AFP)—French Foreign Minister Roland Dumas has "reminded" Chinese exiles living in France of their obligation to refrain from political activity.

Addressing a parliamentary committee on Wednesday, Mr. Dumas said France could not accept on its territory "political activities against a government with which it has diplomatic relations", according to a report published Thursday.

France "has not changed its doctrine with regard to political refugees ... as was pointed out during the demonstrations and meetings of Chinese exiles in Paris", he added.

Beijing protested strongly to France after a group of Chinese dissidents formed a Federation for Democracy in China (FDC) following a meeting in Paris.

The Chinese authorities called on Paris to ban the activities of the FDC on French territory.

Economic Talks With Turkey Open in Ankara*OW1910125789 Beijing XINHUA in English
1229 GMT 19 Oct 89*

[Text] Ankara, October 19 (XINHUA)—The 7th session of the Turkish-Chinese Joint Economic Commission opened here this morning.

Lu Xuejian, Chinese deputy minister of foreign economic relations and trade, told XINHUA before the session that the session is aimed at reviewing the development of trade between China and Turkey, discussing methods to solve the existing problems and expand cooperation in trade, science and technology.

During the session, the two sides will also discuss the exchanges of experts and information in earthquake forecasting.

China exports petroleum, coal and electric machinery to Turkey while importing from it iron and steel and chemical fertilizer.

The trade volume between the two countries surpassed 300 million U.S. dollars last year, six times higher than that in the 70s, and it is expected to reach the same amount this year.

East Europe**Jiang Zemin Congratulates New GDR Leader***OW1910133989 Beijing XINHUA in English
1331 GMT 19 Oct 89*

[Text] Beijing, October 19 (XINHUA)—Jiang Zemin, general secretary of the Central Committee of the Communist Party of China, sent a congratulatory message today to Egon Krenz, newly elected general secretary of the Central Committee of the Socialist Unity Party of Germany.

The message says:

"On the occasion of your election as general secretary of the Central Committee of the Socialist Unity Party of Germany, I would like to extend to you, on behalf of the Central Committee of the Communist Party of China and in the name of myself, the warmest congratulations.

"I sincerely wish you to be full of vigor and to make great achievements at your post of heavy responsibility.

"I believe that the people of the German Democratic Republic, under the leadership of the Socialist Unity Party of Germany headed by you, will be able to overcome various difficulties on your march forward, win new victories in the great cause of the socialist construction, and make new contributions to maintaining peace in Europe and the world.

"I wish that the traditional friendship and fraternal relations of cooperation between our parties, our nations

and peoples be consolidated and developed in the struggle for our common cause."

New Hungarian Party Statutes Stress Reform*OW1110005389 Beijing XINHUA in English
1614 GMT 10 Oct 89*

[Text] Budapest, October 10 (XINHUA)—The newly-formed Hungarian Socialist Party has adopted statutes significantly different in principle from those of the Socialist Workers' Party it has replaced.

The statutes were endorsed at a Monday session of the 4-day party congress that ended here Tuesday morning.

The new statutes set as the party's goal the establishment of "democratic socialism" instead of "building communism" as outlined in the disbanded party constitution.

Under the new party program approved at the same meeting, the new "Democratic Socialist" is characterized by a multiparty system, parliamentary democratization, sharing of power, independence of jurisdiction, governing of the state by law, local autonomy, a direct democratic system, openness, and representation of the interests of various social strata.

In the economic sphere, the party will strive to establish a "market economy based on mixed ownership."

The statutes of the dismantled party clearly described the party as a Communist Party and revolutionary pioneer of the working class. However, the new party chapter declares that the Hungarian Socialist Party is now a party depending on "people who earn by their own labor, petty contractors, the Hungarian, and other nationalities."

The newly-approved party statutes no longer make "democratic centralism" the party's fundamental principle, but define its principles as being based on voluntary support, freedom, democracy, unity, tolerance (of various views and factions within the party), openness and a system that reflects the will of party members.

Hungarian Leader Meets Outgoing Ambassador*OW1910123589 Beijing XINHUA in English
1214 GMT 19 Oct 89*

[Text] Budapest, October 19 (XINHUA)—Rezso Nyers, chairman of the Hungarian Socialist Party, met with outgoing Chinese Ambassador Zhu Ankang here today.

During the meeting, Nyers told the Chinese ambassador that he hopes the friendly relations between the two countries and parties will further develop.

CSSR Scientific Cooperation Protocol Signed

*OW1910130189 Beijing XINHUA in English
1231 GMT 19 Oct 89*

[Text] Beijing, October 19 (XINHUA)—China and Czechoslovakia signed a protocol on scientific and technological cooperation here today.

As a result of discussions at the 31st session of the Sino-Czechoslovak Joint Committee for Scientific and

Technological cooperation, the protocol stipulates that the two countries will promote their cooperation in this field.

The document was signed by Guo Shuyan, vice-minister of China's State Science and Technology Commission, and F. Brom, vice-minister of the State Committee for Science, Technology and Investment Development of Czechoslovakia.

Song Jian, minister of China's State Science and Technology Commission, attended the signing ceremony.

Political & Social

Jiang Zemin Tours Jiangxi; Praises Contributions

OW1910193389 Beijing XINHUA Domestic Service
in Chinese 1303 GMT 19 Oct 89

[By reporter Yang Jian (2799 0256); "Local Broadcast News Service"]

[Text] Nanchang, 19 Oct (XINHUA)—"Although we no longer lead an austere life like that in the struggling days in Jinggangshan—having red rice and pumpkin soup for meals everyday, the glorious revolutionary tradition of Jinggangshan should never be forgotten," Jiang Zemin, general secretary of the CPC Central Committee, repeatedly said during an inspection tour of Jinggangshan.

General Secretary Jiang Zemin arrived in Jiangxi on 13 October. Accompanied by Provincial Party Secretary Mao Zhiyong and Governor Wu Guanzheng, he inspected Jinggangshan, the first base of the Chinese revolution, visited the former residences of older generation proletarian revolutionaries and the site of revolution, and laid a wreath at the cemetery of Red Army martyrs.

Jiang Zemin said: During the years of revolution, the people of Jiangxi made great sacrifices and contributions to the cause of Chinese revolution. As many as 250,000 known martyrs and a large number of prominent party and government cadres were born in the province. In the 4 decades since the liberation, Jiangxi, a relatively poor grain producing province, has supported the state through continuous delivery of grain in both poor and good harvest years. Jiangxi has made tremendous contributions to the state. He said: "I have come to Jiangxi to extend the party Central Committee and the State Council's kind concern and warm regards, and to learn from Jinggangshan's glorious revolutionary tradition."

It is mid-autumn in Jinggangshan, and a scene of dark green meets the eye on every side. Comrade Jiang Zemin got out of the car time and again to call on farm households and familiarize himself with the life of the people in the old revolutionary base. At peasant Li Xianpi's house in Shankou Village, Suichuan County, he was told that the net income of this six-member family, which used to be in debt, was more than 3,200 yuan this year. In delight, he said: "May your family be as prosperous as this board describes: 'Prosperity for 10,000 Years to Come!'" as he pointed to a horizontal board with the inscription hanging on the wall inside the house. The general secretary made a special visit to He Liangqing, He Yunhui, and He Tianxiang, three impoverished households in relatively poor Lianhuaping Village, Gaoqiaolou Township, Yongxin County. Together with the provincial, Jian Prefectural, county, township, and village cadres who accompanied him on the visit, he discussed ways and means to help them shake off poverty and become well-off.

On 16 October, after listening to work reports by the Jian Prefectural and Jinggangshan City Party Committees, Comrade Jiang Zemin said: During the struggle in Jinggangshan, the older generation revolutionaries displayed an arduous and pioneering spirit in winning victory. Today, we should also make determined efforts to seek advance through self-reliance as we did in the years of war. Instead of delivering relief aid, we should help poverty stricken people through developing their economy so that the old revolutionary base can become prosperous like the rest of the country and the socialist modernization drive be accomplished as early as possible.

During the inspection tour of Jiangxi, General Secretary Jiang Zemin paid particular attention to familiarizing himself with the situation in agriculture. He said: With only 7 percent of the world's arable land, Chinese people constitute 22 percent of the world's population. Therefore, it is necessary to go all out to develop agriculture and increase the area of arable land. We should promote industrial production through intensive development. To ensure that farmland will not be requisitioned for industrial use, we should build as few new factories as possible. At the same time, we should do everything possible to increase the per-mu yield of grain.

Showing a keen concern for the development of village and township enterprises in the old revolutionary base, Comrade Jiang Zemin visited Zhutian Dried Salted Duck Factory and inquired about its production and management.

At Maoping in Ninggang County, the site of the former workers, peasants, and soldiers' government in the bordering area between Hunan and Jiangxi, Comrade Jiang Zemin met with Zhang Guiting, a 77-year-old veteran young pioneer. Sitting in the hall of the building where the first CPC Congress was held, the veteran young pioneer briefed the general secretary about the history of the struggle in Jinggangshan. With deep emotion the old man sang the Hakka mountain rhyme "Song of Transferred Soldiers," expressing the people's gratitude for the land reform and Red 4th Army at that time. In all eagerness, General Secretary Jiang Zemin told the provincial, prefectural, and county leaders, who were present at the meeting that a single spark of the revolution in Jinggangshan was able to set fire to the whole country and win victory because of the older generation proletarian revolutionaries' firm communist ideals and convictions. He said: In building a modern socialist power with Chinese characteristics today, we should foster such ideals and convictions and emulate Jinggangshan's glorious revolutionary tradition. He especially stressed the necessity of educating kindergarten and nursery children in the tradition and enabling them to foster communist ideals, morality, and values from childhood to ensure that the state power of our socialist motherland be handed down from generation to generation.

Comrade Jiang Zemin spoke highly of Jiangxi's efforts to promote a clean and honest government. He said that Jiangxi has basically succeeded in stopping the practice

of giving extravagant dinners, thereby improving party style and enhancing the cadres' prestige in the eyes of the masses.

While in Jiangxi, Comrade Jiang Zemin heard work reports from the provincial party committee and the provincial government. He said: During the recent struggle to stop turmoils and quell the counterrevolutionary rebellion, the leading body of the Jiangxi provincial party committee took a united, firm, and clear-cut stand. The provincial party committee has also achieved fruitful results in rectifying party style, building up party organizations, and promoting a clean and honest government. Jiangxi is a major agrarian province and it is very important for the provincial party committee and the provincial government to attach great significance to agricultural production. Comrade Jiang Zemin also visited the 1 August Uprising Memorial Hall and had cordial meetings with veteran comrades in Nanchang and Jian.

Comrade Jiang Zemin concluded the inspection tour of Jiangxi and returned to Beijing on 18 October.

Comparison of Jiang Speech on Organization Work

HK1910110489

Beijing RENMIN RIBAO in Chinese on 17 October publishes on pages 1 and 4 a 4,600-character "Jiang Zemin's Speech at National Meeting of Heads of CPC Organization Departments (21 August, 1989)," reported by XINHUA and originally carried in QIUSHI No 20. This version has been compared with the RENMIN RIBAO OVERSEAS EDITION version published on pages 8-12 of the 17 October China DAILY REPORT and has been found to be identical except for the following variations:

page eight, column one, paragraph two, sentence three reads: ...contingent and organizations, on the whole, are good and have successfully stood the test. Our party is... (noting additional words and deletion of words);

sentence nine reads: ...all a student, although he was a party member... (noting variant wording);

sentence eleven reads: ...members. Some members threatened our party with their withdrawal from... (noting variant wording);

sentence twelve reads: ...a time when the party was confronting some danger and difficulties. Is there... (noting variant wording);

sentence sixteen reads: ...joining our party. I am afraid they had not gone through any test either. However, generally speaking... (noting variant wording);

sentence eighteen reads: ...party's organization departments and the broad... (noting deletion of words);

same sentence reads: ...improve party work. There is no... (noting deletion of words);

column two, paragraph three, sentence four reads: ...party members from workers working at... (noting deletion of words);

paragraph four, sentence one reads: ...to talk about, that is, we should make a sober assessment of our party... (noting variant wording);

sentence two reads: ...party. It is wrong to think that... (noting deletion of words);

paragraph five, sentence one reads: ...our party contingent. Leaders should pay attention to this work, organization departments should do it, policy in this regard should be definite, and measures should be safe. While doing so... (noting variant wording);

page nine, column one, paragraph one, sentence three reads: ...people are the fence-sitters. In the past... (noting deletion of words and quotation marks);

same paragraph, sentence nine reads: ...we must never turn big problems into small ones and small ones into no problem at all in matters of... (noting variant wording);

sentence 12 reads: ...our side and dyeing themselves very red without going through... (noting variant wording);

paragraph two, sentence three reads: ...importance to us. Our party pays close attention to this matter and is capable of overcoming corruption. Our Communist Party... (noting variant wording);

column two, paragraph one, sentence three reads: ...summarize our experiences. For example, what regulations have they laid down? What actions have they taken? Do they need unified regulations? In a nutshell... (noting variant wording);

sentence 11 reads: ...equally true that the people also say that they are waiting to... (noting variant wording);

sentence 13 reads: ...with our work, and it should continue to do so, and do it thoroughly. We must make... (noting variant wording);

paragraph three, sentence one reads: ...play to the role of party organizations at various levels as a political core. The party is... (noting variant wording);

page 10, column one, first paragraph, sentence six reads: ...grass-roots party organizations. Otherwise, where does the... (noting additional word "otherwise");

same paragraph, sentence 10 reads: ...to play their role as a political core. This is not... (noting variant wording);

sentence 24 reads: ...party will eventually have no fighting capacity. Where is the... (noting variant wording);

sentence 27 reads: ...level, and the whole party being subordinate to... (noting variant wording);

sentence 28 reads: ...our party. Undoubtedly, the whole party must be subordinate... (noting variant wording);

column two, first paragraph, sentence 13 reads: ...this principle, the economic source will inevitably dry... (noting variant wording);

same paragraph, last sentence reads: ...the public ownership. Its function is only to make good omissions and deficiencies. We cannot put... (noting additional sentence);

page 11, column one, paragraph two, sentence five reads: ...all mentioned that there should be unity between management of things and management of people, but this is... (noting variant wording);

same paragraph, sentence six reads: ...by the party. The party's management of cadres should be more centralized. The organization departments... (noting additional sentence);

sentence nine reads: ...the vice mayor, who was also in charge of personnel, was not informed.... (noting additional phrase);

last sentence reads: ...in my opinion, while restructuring the political system, we must at... (noting additional phrase);

column two, paragraph one, sentence four reads: ...of bourgeois liberalization, including chaos created in our party's ideological and theoretical construction. Some comrades proposed... (noting additional phrase);

same paragraph, sentence 10 reads: ...clearly explain the inevitability of the two.... (noting change from "necessity" to "inevitability");

page 12, column one, paragraph two, sentence three reads: ...the Standing Committee of the Political Bureau of the Central Committee [zhong yang chang wei 0022 1135 1603 1201] is working out... (providing additional words and STC's);

same paragraph, sentence eight reads: ...extreme to another, have one-sided views, and cannot grasp... (noting additional words).

Jiang Zemin Praises Film About Young People

*OW2010005989 Beijing Domestic Service in Mandarin
1030 GMT 16 Oct 89*

[From the "National Hookup" program]

[Text] "The Youthful Age," a feature film about the life of young people, has recently caught the attention of many adults. The Propaganda Department, the Literature and Art Bureau, and the Education Bureau of the CPC Central Committee today invited personages of relevant authorities in the capital to watch and discuss the film.

The movie was produced by the China Childrens' Movie Studio and the Nanjing Movie Studio. Describing the life of students of a noted senior high school, who will soon be engaged in fierce competition, the movie tells

how these students understand the value of life at a time when our society undergoes changes.

After watching the movie on 9 October, Jiang Zemin, general secretary of the CPC Central Committee, praised the movie, saying: It's very touching. It's very good.

Those who took part in the discussion unanimously agreed that the movie is an outstanding one which reflects relatively high political awareness and artistic value and which educates viewers on noble sentiments. Many comrades pointed out: Chinese literature, art, and cinematography must follow the socialist course. As far as educating the younger generation is concerned, it is a very sharp and realistic issue whether we educate them to become our successors or our grave diggers. Children's education is of utmost importance because a man's entire life, more often than not, is affected by the good or bad education he received during his childhood.

The discussion participants called on people of all walks of life in society and all relevant departments to support children's education and work together to make children's education a success.

It is reported that the movie, "The Youthful Age," has been designated as a movie dedicated to the 40th founding anniversary of the Republic.

Li Peng Inspects Asian Games Projects, Company

*OW1910163389 Beijing XINHUA in English
1521 GMT 19 Oct 89*

[Text] Beijing, October 19 (XINHUA)—Premier Li Peng Wednesday inspected projects for the coming Asian Games and the Beijing-Matsushita Color Television Tube Company here.

Yesterday afternoon, he visited the gymnasium for university students and the northern suburban sports center for the Asian Games, to be held in the Chinese capital next year.

Construction for the projects started three years ago. To date, most of the 33 stadiums and gymnasiums for the games have been completed and construction of the athletes' village has reached the final stage. All the facilities are expected to be completed in May 1990.

During the inspection, Li Peng called for further efforts to complete all the facilities on time and ensure the quality of the projects.

Yesterday afternoon Li also visited the Sino-Japanese joint-venture color television tube company.

During the visit, the premier expressed his hope once again that China's policy of reform and opening to the outside world will continue to attract more foreign investors to co-operate with China.

He pointed out that China has advantages for such co-operation as abundant labor resources and land.

Accompanying Li on the inspections were Li Ximing, member of the Political Bureau of the Chinese Communist Party (CPC) Central Committee and secretary of the Beijing Municipal CPC Committee, Chen Xitong, state councillor and Beijing city mayor, and Luo Gan, secretary-general of the State Council.

Beijing TV Report

*OW2010000189 Beijing Television Service
in Mandarin 1100 GMT 19 Oct 89*

[Announcer-read video report, with portion recorded, by Beijing Television Station reporters Jia Yuxiang (6328 3768 4382), Zhao Songjian (6392 2646 1696), and Tian Xiaochuan (3944 1420 1557); from the "National News Hookup" program]

[Text] [Video opens with shots showing Li Peng, dressed casually in jacket and slacks, coming out of a black limousine and shaking hands with some unidentified officials in front of a gymnasium] Premier Li Peng inspected a number of facilities for the Asian Games and the Matsushita Color Picture Tube Company, Ltd in Beijing on the afternoon of 18 October.

[Video shows Li Peng and his entourage, numbering about 10, entering the gymnasium] Accompanying Premier Li Peng on the inspection were Li Ximing, member of the Political Bureau of the CPC Central Committee and secretary of the Beijing Municipal Party Committee; Chen Xitong, state councillor and mayor of Beijing; Luo Gan, secretary general of the State Council; and relevant officials He Zhenliang, Zhang Baifa, Wu Yi, and Zhang Peng.

At about 1500, Comrade Li Peng arrived at the Collegiate Gymnasium of the Asian Games. In high spirit, he watched a performance by athletes of the Beijing Normal College of Physical Education and Sports, who were undergoing training in the gymnasium. He inquired about the construction and functions of the gymnasium.

[Video shows Li Peng inside the gymnasium, being applauded by and shaking hands with about a dozen athletes standing in line; it then cuts to show Li Peng writing an inscription reading, "It is glorious to be a teacher of physical education and sports,"—and posing for a picture with the athletes] The construction of the facilities for the Asian Games, after vigorous efforts by tens of thousands of workers in 3 years, is drawing to an end. Most of the 33 competition sites and pavilions have been completed, and the construction of the athletes' villages has entered the final stage. The entire facilities will be completed before next May.

[Video shows Li Peng, followed by scores of people, climbing up steps, looking at a track and field ground, hearing a briefing by officials, talking to members of his entourage, and occasionally asking questions] After arriving at the Beijiao Athletic Center, the premier climbed up the overpass bridge and looked around the magnificent construction site. He said: The party and

government leaders and large numbers of staff members and workers in Beijing Municipality have defended our capital by performing meritorious service in stopping the turmoil and quelling the counterrevolutionary rebellion.

He continued: After the storm was over, normal order has immediately been restored in Beijing. Although martial law is still in force in certain areas of Beijing, work in all fields has returned to normal, to the delight of every resident. This is an indication of the prosperity and stability in China.

[Camera focuses on Li Peng, speaking without a prepared script] The premier said:

[Begin recording] The construction of the Asian Games facilities is an important matter for Beijing as well as the whole country. It will not only invigorate the undertaking of physical culture and sports in China, but also give an impetus to the work in various areas and promote our friendship with the people of other countries. It will also indicate the strength of our country and people. Of course, the construction of such a gigantic project requires quite a large sum of money. Beijing Municipality has already spent a great deal of resources on the project, and the whole country has also given support.

A lot of money has been taken out of this pocket. [As Li Peng makes the remark, the people surrounding him burst into laughter]

In view of the current financial difficulties facing the government, we should bear in mind that the money did not come easily. Hence, I urge all those concerned to ensure the quality of construction and its completion in time. The construction of some facilities can be (?postponed and completed in the future). The people of the whole municipality and country should unite as one in greeting next year's Asian Games. Success of the games will be an honor for the motherland and Beijing Municipality as well. [As Li Peng finishes his speech, everyone applauds] [end recording]

As the premier got down the overpass bridge, he was greeted with applause from workers. Waving to the workers, he walked up to them and shook hands with them, saying: Thank you! Thank you!

After leaving the Beijiao Athletic Center, Premier Li Peng and his entourage arrived at the Anhui Bridge by car and looked at the magnificent view of the entire Beijiao project.

[Video shows shots of Li Peng viewing a color picture tube production line inside a plant] Leaving the Asian Games construction site, Premier Li Peng and his entourage arrived at the Matsushita Color Picture Tube Company, Ltd, a Sino-Japanese joint venture in Beijing. While inspecting the plant, he viewed in detail the color picture tube production process.

Premier Li Peng has shown a keen interest in building the joint venture. During a visit last December, he

encouraged the company to produce world-level top quality products and become a model for Sino-foreign ventures.

[Video shows Li Peng, seated and flanked by Li Ximing on his right and Chen Xitong on his left, listening to a briefing as well as speaking] After the inspection, the premier heard a briefing by Mr (Kinichi Maikawa), general manager of the company, about its production. He praised the company for its speedy construction and budgeted investment, completing the construction 2 months ahead of schedule and meeting quantitative and qualitative requirements with a single production shift.

The premier said: Practice has proved that the future is bright for Sino-foreign ventures in China. Whoever has doubts about China's investment environment should visit the Matsushita Color Picture Tube Company in Beijing.

He stressed: Our policy of reform and opening to the outside world will not change. It is hoped that more foreign businessmen will cooperate with us on an equal and mutually beneficial basis.

Premier Li Peng said: China's market has undergone changes, with the emergence of a buyers' market. The time is gone when joint ventures can get by easily as the market has become serious. Whoever wants to have a share of the market should be able to produce quality products with a variety of designs and which are in popular demand and low in cost. The new market situation is challenging enterprises with an opportunity to improve themselves. In this sense, it is a good sign.

Li Peng Congratulates Workers on Nuclear Reactor

*OW1710160789 Beijing XINHUA in English
1537 GMT 17 Oct 89*

[Text] Shenzhen, October 17 (XINHUA)—Chinese Premier Li Peng recently congratulated the construction workers at the Guangdong Nuclear Power Plant on the topping out of the No. 1 nuclear reactor.

With a total generating capacity of 1.8 million kw and a total investment of 4,000 million U.S. dollars, the plant is China's largest joint venture, with experts and workers from 18 countries and areas involved. The topping out of the No. 1 nuclear reactor September 21 marked the start of the installation.

Already, 70 percent of the construction work of the reactor and generating unit have been completed. Most of the equipment was manufactured in France and Britain, and 30 percent has been shipped to the construction site.

Under the principles of "safety first and top quality", the plant has multiple monitoring systems. Following examinations in January and July this year, the State Nuclear Safety Bureau is satisfied with the quality of the construction, equipment and installation.

Two groups of technicians and managers have been sent abroad for training.

Li Ximing Discusses Role of Party Organizations

*OW2010111189 Beijing XINHUA Domestic Service
in Chinese 1320 GMT 19 Oct 89*

[By reporters Xu Guangchun and Huang Zhimin; "Local Broadcast News Service"]

[Text] Beijing, 19 Oct (XINHUA)—Li Ximing, member of the Political Bureau of the CPC Central Committee and secretary of the Beijing Municipal Party Committee, said at the recent Seventh Plenary (Enlarged) Session of the Sixth Party Committee of Beijing Municipality: Grassroots party organizations are units that implement the various tasks of the party. In the final analysis, party leadership over the state affairs and social activities is realized through grassroots party organizations, which play the role of fighting fortresses, and party members, who play the role of exemplary vanguards. Giving full play to the grassroots party organizations' role as political cores is an important link in our present endeavor to strengthen party building.

Li Ximing said: Ideological and political work in grassroots units must be led by party organizations, which should make unified planning for this work and organize, coordinate, supervise, and inspect it. Party organizations should be adept at arousing the enthusiasm of all sectors, including administrative departments, trade unions, Communist Youth League organizations, and women's federations; bring their strong points into full play; and organize them to do ideological and political work so as to continuously beef up the ideological and political work force and see to it that the work is truly promoted.

Li Ximing continued: In those enterprises and institutions where administrative heads assume responsibility, the party organizations should give opinions and participate in making decisions concerning their long-term development programs, annual production plans, major technological-upgrading and construction projects, the wage and bonus-distribution principles, and the work plans for certain specific periods. Before any decision is made on a major question, the administrative leadership of the enterprise or institution should automatically submit the proposal or plan to the party committee for discussion and take a serious attitude to hear the party committee's opinions and suggestions.

He pointed out: Party committees of universities and colleges with their presidents assuming responsibility under the leadership of the respective party committees, party committees of neighborhoods functioning as agencies of district party committees, and party committees at and below the township level in rural areas have different functions and tasks from the party organizations of enterprises and institutions. They are the ones to make decisions on major questions in these units rather than participate in making the decisions. Whether it is to

make decisions or participate in making decisions on major questions, the party organizations should focus on the political guideline and orientation as well as major principles and policies. They should not interfere with the routine work of the administrative leadership or even take over administrative matters. The administrative leadership should still be independently responsible for matters within its function. This arrangement is beneficial to the whole operations and is also the most practical and effective way to support the administrative work.

On the principle of cadre management by the party, Li Ximing stressed that all levels of organizations of the ruling party should undertake the responsibilities of educating, managing, and supervising the cadres. He said: If the party gives up or relaxes the management of its cadres, it cannot ensure the implementation of its line, principles, and policies, nor will there be any organizational guarantee for its status as the ruling party. In enterprises and institutions with administrative heads assuming responsibility, the administrative leadership has the rights to nominate, appoint, dismiss, and employ medium-level administrative cadres. These rights must be truly guaranteed, for they constitute an indispensable prerequisite for the development of the work in a well-coordinated and highly efficient way. However, the appointment or dismissal must be preceded by a joint inspection conducted by the party and administrative departments in charge of cadre work and a collective discussion by the party committee and administrative leadership. In appointing and dismissing cadres, the party organization should, in the main, focus its attention on the political and ideological quality of the cadres concerned, while fully respecting the opinions of the administrative leadership with regard to the professional capabilities of the cadres and the personnel structure of the unit. Practice has proved that this assists in the implementation of the criterion for selecting cadres on the basis of both their ability and political integrity and is conducive to the healthy development of our socialist enterprises.

Li Ximing pointed out: While giving full play to the role of enterprise party organizations as political cores, attention should be paid to properly deal with the relationship between this role and the central position held by plant directors and managers. Plant directors and managers, as legal representatives of enterprises, must make overall planning and assume full responsibility for their production work, operations, administration, management, and technological development. In these fields of work, plant directors and managers hold a central position and play a central role. This is an inevitable requirement for socialized mass production. On the other hand, enterprise party organizations, as grassroots organizations of the ruling party, shoulder the heavy responsibility of ensuring the proper implementation of the party's line, principles, and policies in the enterprises. They should, of course, play the role as a core in the ideological and political fields. By establishing the status of party organizations as political cores, we are not negating the

system of plant directors assuming responsibility. On the contrary, our purpose is to further strengthen and improve this system and give a stronger and more effective political guarantee for its implementation.

In addition, Li Ximing pointed out in his speech: Comrade Zhao Ziyang weakened party leadership to a serious extent. This was expressed prominently by "diluting" [dan hua 3225 0553] party leadership, lowering the position and playing down the role of grassroots party organizations, and downgrading the party leadership over ideological and political work to the position of "assistant." Under the influence of these mistaken opinions, the status of grassroots party organizations as political cores was shaken. Accordingly, many grassroots party organizations could not carry out and ensure their supervisory functions, and the work of party building was greatly weakened. We must resolutely and quickly correct this erroneous trend and guide the work of strengthening party building onto the correct track.

Comparison of Spokesman Yuan Mu Interview

HK1910021089

Beijing RENMIN RIBAO in Chinese on 17 October publishes in the right lower half of page 1 and the right lower half of page 2 a 3,000-character interview with Yuan Mu by KYODO reporters on 15 October in Beijing. This version has been compared with the RENMIN RIBAO OVERSEAS EDITION version published on pages 12-14 of the 17 October China DAILY REPORT and has been found to be identical, except for the following variations:

page 12, column two, paragraph six, sentence seven reads: ...us to emphasize microscopic enlivening, but we... (changing "macroscopic" to "microscopic");

page 13, column two, paragraph three, sentence six reads: ...our two countries if the United States gives up interfering in China's internal affairs. China mainly relies... (noting additional clause);

page 14, column one, first paragraph, sentence seven reads: ...will remain friendly with each other for a long... (changing "relations" to "with each other").

Qiao Shi Tours Shaanxi; Stresses Frugality

OW2010114789 Beijing XINHUA in English
1056 GMT 20 Oct 89

[Text] Xian, October 20 (XINHUA)—A senior official of the Chinese Communist Party has stressed insistence on the principle of self-reliance, hard struggle, diligence and frugality in creating a favorable social environment for the modernization program.

During a visit to Shaanxi Province between October 13 and 18, Qiao Shi, a member of the Standing Committee of the Political Bureau of the Party Central Committee, said a prerequisite for the program was adherence to the reform and opening policy and the four cardinal principles.

He also stressed that economic development is the focus of the work of the whole party.

Qiao Shi talked with local party and government officials in Hanzhong and Yulin Prefectures and Baoji city. He said that through implementation of the outlines of the Fourth Plenum of the 13th CPC Central Committee and through study of important speeches by Deng Xiaoping and Jiang Zemin, the Chinese people understand that the basic lines, principles and policies since the Third Plenum of the 11th CPC Central Committee are "completely correct" and must be persisted with to maintain the continuity and stability of the party's basic policy.

Qiao said that only by giving equal stress to adherence to the four cardinal principles and the policy of reform and opening to the outside world, and by strengthening economic construction, developing productive forces and achieving the strategic goal of socialist modernization as set by Deng Xiaoping, can China's socialist system fully manifest its superiority.

He said China is a country with a population of 1.1 billion and none can forget this fundamental fact at any time. It will be necessary to insist for a long time on the principle of self-reliance, hard struggle, diligence and frugality in building the country.

"It is absolutely necessary," he said, "to live an austere life for a few years as proposed by the party Central Committee and the State Council.

"Even if the economic situation turns for the better after rectification of the economic order and life is more prosperous, by no means can the principles be forgotten.

"As we are officials of the ruling Communist Party and serving the people is our purpose, we must never use our power to be profligate with state funds."

Talking about the social turmoil and counter-revolutionary rioting earlier this year, Qiao Shi pointed out that the modernization program needs a stable social and political environment and unity. Otherwise, nothing can be accomplished.

He declared: "Such turmoil shall never occur again."

Qiao Shi heard that the Hanzhong Prefecture has had its best grain harvest for eight years and that the Yulin Prefecture has made marked progress in turning sandy areas into farmland. He said he was glad. He commented that in China agriculture has been and will be the basis of the national economy and that grain should be given more priority.

Qiao Shi called for greater efforts to build "a clean administration" and for the inspection and testing of leading bodies at all levels.

He said the whole party should resume and carry forward the work style of integrating theory with practice, forging close links with the people and practising criticism and self-criticism.

He instructed officials at provincial, prefectural and county levels to go to the grassroots and carry out investigation among the people, solve their real problems and help grassroots officials to play a more positive role.

Qiao Shi visited factories and villages, and talked with workers, peasants, miners and police officers in Shaanxi Province.

Qiao Shi, Wang Fang Meet Law Enforcement Workers

*OW1810152389 Beijing Domestic Service in Mandarin
1030 GMT 18 Oct 89*

[From the "National Hookup" program]

[Text] Qiao Shi, member of the CPC Central Committee Political Bureau Standing Committee; and State Councillor Wang Fang had a meeting in Beijing this afternoon with all the representatives attending the national meeting to commend justice departments' advanced collectives which have distinguished themselves in thwarting the recent upheaval and suppressing the counterrevolutionary rebellion.

Qiao Shi said at the meeting: The performance of the justice departments in the country was very satisfactory during the struggle to thwart the upheaval and suppress the counterrevolutionary rebellion. You stayed on your jobs and held fast to the stand that you should hold.

Qiao Shi added: Internationally there are reactionary forces hostile to socialism, and at home there are still people who are opposed to the building of a Chinese-style socialist society and who attempt to subvert socialism. Thus, there should never be any wavering in upholding the concept of class struggle and upholding the people's democratic dictatorship.

A total of 52 advanced collectives have been commended at the national commendation meeting. Among them are reform-through-labor and education-through-labor units which safeguarded the security of reformatories by holding fast to their posts around the clock, thus safeguarding social stability and national security on a special front; grassroot justice organs which defied hardship and splendidly performed their duties; and judicial institutes which stood firm against all sorts of pressure under extremely difficult circumstances, thus stabilizing their situation.

Cai Cheng, minister of justice, called on the vast number of policemen under the nation's justice departments to emulate the examples set by the advanced collectives and, under the leadership of the party Central Committee with Comrade Jiang Zemin as the core, properly to enforce the law in all fields.

Song Jian Chairs Environmental Protection Meeting

*OW2010005189 Beijing Domestic Service in Mandarin
2230 GMT 16 Oct 89*

[From the "News and Press Review" program]

[Text] The State Environmental Protection Committee of the State Council held its 16th meeting on 16 October to hear reports by departments concerned on the work done in environmental protection in the coal, railway, and building material sectors. Song Jian, state councillor and concurrently chairman of the State Environmental Protection Committee of the State Council, presided over the meeting and spoke.

Song Jian Attends Standardization Day Celebration

*OW1910151189 Beijing Domestic Service in Mandarin
2230 GMT 14 Oct 89*

[From the "News and Press Review" program]

[Text] The 20th anniversary of the World Standardization Day fell on 14 October. The State Bureau of Technology Supervision and the China Standardization Association organized a function to celebrate the World Standardization Day in the Science Auditorium in Beijing on 14 October. Song Jian, state councillor and concurrently minister of the State Science and Technology Commission, attended the celebration.

Chen Junsheng on Poor Ethnic Minority Areas

*OW2010114589 Beijing XINHUA Domestic Service
in Chinese 1309 GMT 15 Oct 89*

[“Local Broadcast News Service”]

[Text] Beijing, 15 Oct (XINHUA)—According the LIAOWANG weekly, in a recent interview with the weekly's reporter, State Councillor Chen Junsheng revealed that the State Council Leading Group for Economic Development in Impoverished Regions recently put forward concrete measures for resolving the problem of food and clothing among the masses of impoverished ethnic minority counties during 1989 and 1990.

These measures are: First, to divert 20 to 30 million yuan each year from the annual appropriation of state industrial loans to impoverished prefectures and counties in order to help, on a selective basis, certain counties develop local industries. Second, to help all impoverished ethnic minority counties set up plastic sheet covers for the cultivation of corn, if they are suited for such methods. This will enable them to improve the standard of grain production, and is an important part of the “Food and Clothing Project” [wen bao gong cheng 3306 7394 1562 4453]. Third, from now on, to accord priority to impoverished ethnic minority counties during the allocation of automobiles from the state, in order to help this areas develop their transportation. Fourth, to treat the training of cadres as an important aspect of development in impoverished ethnic minorities region, so as to

improve the standard of the people organizing economic development in impoverished areas. In addition, we must pay close attention to family planning work while helping the ethnic minority areas, and try change quickly the vicious circle of “greater poverty leading to more births and more births leading to greater poverty”.

Yang Shangkun Meets Archive Personnel

*OW2010090989 Beijing Domestic Service in Mandarin
2230 GMT 17 Oct 89*

[From the “News and Press Review” program]

[Text] According to a XINHUA report, 8 October marked the 30th anniversary of the founding of the Central Archive Hall. On the morning of 17 October, President Yang Shangkun went to visit the personnel of the Central Archive Hall and directors of archive bureaus and halls from certain provinces, autonomous regions, and municipalities. Accompanying him on the visit were Wen Jiabao, Wang Shoudao, and Song Shilun as well as veteran leaders and comrades with long experience in archive work and leading comrades who are concerned about and support this work.

Yang Shangkun and the other comrades visited an exhibition on the 30 years' history of the Central Archive Hall.

Central Leaders View Vehicle Exhibition

*SK1910074589 Changchun Jilin Provincial Service
in Mandarin 2200 GMT 18 Oct 89*

[Text] During the recent exhibition on China's 40 years of industrial achievements held at the Beijing Exhibition Hall, the Changchun No 1 Motor Vehicle Plant also participated in the exhibition. In addition to the large pictures and characters on the exhibition board showing the earth-shaking achievements of the Changchun No 1 Motor Vehicle Plant, there was also a new-modeled red banner sedan on display.

Jiang Zemin, Li Peng, Qiao Shi, Yao Yilin, Song Ping, and other central leading comrades went to the exhibition room of the Changchun No 1 Motor Vehicle Plant to watch the exhibits with great zest. They were especially happy when they saw the new-modeled red banner sedan. They looked at it repeatedly. Premier Li Peng watched the sedan very carefully. He took a seat in the sedan. After listening to a briefing given by the plant leader, he said smilingly: It is good. It is very good.

The exhibition of the Changchun No 1 Motor Vehicle Plant was a great success. It won the grand prize for exhibits and [words indistinct].

Walkout Occurs During University Political Seminar

*HK1710030389 Hong Kong HONGKONG STANDARD
in English 17 Oct 89 p 1*

[By Cheung Po-ling in Beijing]

[Text] Students and teachers walked out of an ideological seminar at Beijing University yesterday [16 October] while a speech by top leader Deng Xiaoping was being read.

A university source said about 50 people left the seminar.

The walkout came as a school official began to read the speech made by Mr Deng on June 9.

It was the first political study session for the new semester.

"Many felt bored and found the speech meaningless," the source said.

"You know, people at Beijing University are known for their rebellious and defiant attitude.

"They fear nothing.

"Actually the school authorities can do nothing to them because they attended most of the assembly."

The opening of the new semester was postponed to last Saturday, two months late because the authorities feared students and faculty might not cooperate.

The students are required to attend a full week of political studies, beginning yesterday, and two afternoon sessions a week next month.

A university official said four graduates who took part in a small-scale demonstration in the campus on July 23 had been penalised by the school authorities, by expulsions and withholding a degree.

Regulations Tightened on Official Vehicle Use

OW1810001389 Beijing XINHUA Domestic Service
in Chinese 1314 GMT 16 Oct 89

["Local Broadcast News Service"]

[Text] Beijing, 16 Oct (XINHUA)—Regulations issued by the General Offices of the CPC Central Committee and State Council on the allocation, use, and management of cars in party and government organizations.

(6 September 1989)

In accordance with the "Decision of the CPC Central Committee and State Council To Accomplish Several Tasks of Great Concern to the People," and with the approval of the CPC Central Committee and State Council, the following regulations will be implemented with regard to the allocation, use, and management of cars in party and government organizations.

1. Officials at and above ministerial level will be allocated special cars.

2. Officials at deputy ministerial level will be allowed to use cars only for performing work duties. No special cars will be available for retired officials of deputy ministerial level, officials of deputy ministerial level who have

stepped down but have not completed retirement procedures, and retired officials of deputy ministerial level who enjoy privileges accorded to ministers. Officials of deputy ministerial level who have been allocated cars in accordance with the "Regulations of the CPC Central Committee and State Council on the Treatment in Life of Senior Officials" (issued as Zhongfa 1979 No 83) prior to the promulgation and enforcement of the "Provisional Regulations of the CPC Central Committee and State Council on the Treatment in Life of Officials at and Above Deputy Ministerial and Deputy Governor Levels" (issued as Zhongbanfa 1983 No 39) may keep their cars. However, their cars shall be made available to government organs when they themselves do not use them.

3. Special cars for leading officials of the party Central Committee and the State Council must be allocated and managed by the department responsible for serving these officials. The allocation of special cars for ministers should be approved by the bureaus responsible for organs of the party Central Committee and the State Council. No department is allowed to allocate and exchange cars for their leaders at will.

4. In the future no department will be permitted to buy an imported car (with the exception of those needed to fulfill long-term trade agreements signed between our government and other governments, or to fulfill technological or trade contracts approved by the state). Members of the Political Bureau and Secretariat of the CPC Central Committee and the Standing Committee of the State Council shall use Chinese-made cars. Cars for officials at and above ministerial level will be gradually replaced by Chinese-made vehicles. Imported cars that are in service shall continue to be used until they are discarded and replaced by Chinese-made cars in order to avoid further waste.

5. Chinese organizations stationed overseas shall tighten control of their cars. Some medium or low-grade cars shall be allocated to them for use in carrying out official duties. Cars that must be put out of service shall be disposed of locally. It is strictly forbidden to import cars under the excuse of disposing of out-of-service cars.

6. Fees shall be collected for the use of cars for private purposes. No cadres of government organs, staff members, or workers are allowed to use public cars for private purposes. Under special circumstances when they must use a car, they shall pay a fee in accordance with regulations. The various departments shall strictly implement the unified system for car use registration and fee payment.

7. Supervision shall be stepped up over the allocation and use of cars. Units responsible for allocating and managing cars shall allocate cars in strict accordance with regulations. Units responsible for the use and management of cars shall conduct periodic inspections and promptly solve and correct problems discovered. These regulations shall be relayed to staff members and

workers of government organs so that they will exercise supervision over the allocation and use of cars by leading cadres. Discipline inspection organs and supervisory departments shall earnestly investigate and deal with violations of these regulations.

8. These regulations also apply to the allocation and use of cars in enterprises and establishments affiliated with various departments.

9. In all those cases where past regulations and these regulations are in conflict, these regulations shall be implemented. Cars that have been allocated must be recalled if they do not accord with these regulations. The various departments shall by the end of October submit a report on their implementation of these regulations to the bureaus responsible for organs of the party Central Committee and the State Council, which then will present a consolidated report to the CPC Central Committee and State Council.

Authorities Arrest Publishing House Director

OW1810181489 Beijing XINHUA in English
1220 GMT 18 Oct 89

[Text] Beijing, October 18 (XINHUA)—The legal representative and director of the Metallurgical Industry Press, Zhang Ying, was arrested here today on charges of speculation and profiteering.

The publishing house, as a government institution under the Ministry of Metallurgical Industry, is not allowed to manage the trading of means of production, but it fraudulently purchased 502 tons of steel at cost or at par price and sold it illegally with a profit of 519,748 yuan.

An official from the Beijing Public Security Bureau said that Zhang Ying failed to confess his crime to the authorities concerned.

The Supreme People's Court and the Supreme People's Procuratorate announced on August 15 that all the economic offenders who surrender themselves to judicial departments and confess their crimes before the end of October will be dealt with leniently, and that those who do not will be severely punished.

Seventh NPC Deputies To Inspect Localities

OW1710155589 Beijing XINHUA Domestic Service
in Chinese 1306 GMT 17 Oct 89

["Local Broadcast News Service"]

[Text] Beijing, 17 Oct (XINHUA)—The General Office of the National People's Congress [NPC] Standing Committee recently issued a notice outlining arrangements for the inspection of various localities, to be conducted by deputies of the Seventh NPC.

According to the notice, a 10-day inspection will be carried out between December this year and next March.

The scope of the inspection includes progress in implementing the 1989 economic plan and budget; in combating corruption, punishing "official profiteering," and screening and consolidating companies; in promoting agricultural production; and in building up grassroots political organs.

Supreme Court Official Condemns Economic Crime

Speaks at News Conference

OW1710100189 Beijing XINHUA Domestic Service
in Chinese 1315 GMT 16 Oct 89

["Local Broadcast News Service"]

[Text] Beijing, 16 Oct (XINHUA)—Lin Zhun, vice president of the Supreme People's Court, has called on law courts at all levels to punish severely those who shelter economic offenders or those who retaliate against informers.

Lin made the remark at a news conference held jointly today by the public security, procuratorate, and judiciary authorities. He disclosed a serious case in Tianjin in which a person was killed after his former cohorts were unsuccessful in stopping him from confessing his crimes. As the circular calling for the surrender of economic offenders is being implemented, some localities recently have uncovered criminal activities involving attempts to shelter economic offenders, to conceal or destroy incriminating evidence on behalf of such offenders, and to transfer stolen money and goods to other parties. Numerous reprisals also have been taken against informers. Lin called on law courts at all levels to mete out stringent punishment and not to relent in handling such cases.

Rejects Deadline Extension

OW1710123089 Beijing XINHUA Domestic Service
in Chinese 1709 GMT 16 Oct 89

["Local Broadcast News Service"]

[Text] Beijing, 16 Oct (XINHUA)—Lin Zhun, vice president of the Supreme People's Court, said today that his court and the Supreme People's Procuratorate will not extend the deadline of 31 October specified in their joint circular urging economic offenders to turn themselves in.

Lin said: Some criminals still balk at surrendering themselves and are taking a wait-and-see attitude. Some, believing that they can keep their activities under wraps, continue to put up a desperate fight and attempt to get by under false pretenses. He warned those offenders to give up their wishful thinking and confess their crimes as the deadline is approaching. Failure to confess their offenses, he cautioned, will cost them an opportunity to do so. It will lead to severe legal penalties.

Pornography Campaign Sweeps Coastal Provinces*OW1810182689 Beijing XINHUA in English
0648 GMT 18 Oct 89*

[Text] Beijing, October 18 (XINHUA)—The campaign to eliminate pornography and other objectionable publications is now in full swing in Guangdong, Fujian, Zhejiang and Hainan, four coastal provinces in southern China.

Last month Li Ruihuan, member of the Standing Committee of the Political Bureau of the Central Committee of the Communist Party, presided over a meeting of leaders of the four provinces to discuss the elimination of pornography and other objectionable publications.

Since then the leaders of the four provincial party committees and governments have taken responsibility for combing out local sources of pornographic video tapes and objectionable publications.

They have also led teams checking book stores and book stands in the streets, as well as shops selling video and audio products. They have removed all pornographic and objectionable material.

In the past month, more than 100,000 people in the four provinces have been organized to take part in the campaign. A total of 715,100 copies of objectionable books and magazines, a large number of pornographic pictures, paintings and playing cards, as well as more than 221,000 pornographic video tapes and many audio cassettes have been seized.

Commentator Commends Leading Young Pioneers*HK1810044389 Beijing RENMIN RIBAO in Chinese
12 Oct 89 p 1*

[Commentator's Article: "Heroes Have Always Emerged From Among the Youths"]

[Text] How should we educate our children? Very often, this is a topic for conversation among adults. Actually, children can sometimes become models of the adults and the whole society. In those years, the deeds of our young hero Liu Wenxue, and the heroic little sisters on the grasslands enjoyed great popularity, and inspired the growth of our youngsters and children of a generation. Today, the Central Committee of the Chinese Communist Youth League (CYL), the Working Committee of the Chinese Young Pioneers, and other departments have jointly chosen the "ten best Young Pioneers" of China. These young pioneers, and a student called Lai Ning who sacrificed his life in particular, are good children who have enlightened many people.

Lai Ning died young and lived in this world for only 14 years. However, after reading carefully a newsletter on his deeds (see page 4 of this newspaper today), one will discover that a beautiful young soul was not be devoid of its radiance in spite of the fact that it only lived very briefly in the world. On the contrary, he used his burning

splendor to reveal the true meaning of life. Since his childhood, Lai Ning esteemed outstanding figures, and had high aspirations. But he realized that to accomplish something magnificent, he had to start from every minor thing. Although he lived in a remote and secluded mountain district, he was craving for knowledge. He read extensively to widen his vision, and made outstanding achievements in various aspects. What was particularly precious was that Lai Ning had a lofty emotion—ardently loving his native place and the people. It was precisely this emotion which inspired him to go prospecting for mineral resources and treasures for his native land, and to climb the mountains to put out a forest fire on three occasions. Eventually, he devoted his young life. Of course, Lai Ning was a child after all. In order to write a composition "Stirring up a Hornets' Nest," he did stir up a hornets' nest. However, it was precisely such conscientious spirit which helped him develop an excellent quality of loving sciences ardently and being dare in practice.

The disable Cheng Jie, who has lost her both arms, was awarded for her calligraphic works "Where There Is a Will, There Is a Way." She produced such handwriting with her feet, and an unyielding heart in particular. These children are the "cream of the crop." This is due not only to their talent, but also to their amazing willpower and unrelenting struggle. The enlightenment given by such fine quality is not restricted to children alone.

If you ask something about the characteristics of the times of those "ten best Young Pioneers," we should say that their marked characteristics include good character and scholarship and all-around development. This is precisely the direction our contemporary youngsters must strive to follow.

If you ask how they grow to become outstanding youngsters, we should point out that the most important reason for all this is that they know how to use their actions to fulfill the loftiest ideals and conviction of "putting the interests of the people above everything else."

Nurtured by the party and the people, and educated by the Young Pioneers, CYL organizations and schools, the "ten best Young Pioneers" have grown up. They never forget the kindness of their parents in bringing them up, the kindness of their teachers in teaching them, and the concern of the whole society for them. All this has encouraged us to create a better environment for the growth of more children.

The "ten best Young Pioneers" have set a good example for the youngsters of the whole country. Of course, learning from the "ten best Young Pioneers" is not a matter of children alone, because their youthful spirit and their mental attitude of striving to make progress, and their lofty ideals and conviction are precisely what the entire society has advocated.

Party Publications Urged To Improve Propaganda

HK1810152789 Beijing RENMIN RIBAO in Chinese
12 Oct 89 p 4

[Dispatch by RENMIN RIBAO reporter Yin Pinduan (1438 0756 4551) and XINHUA reporter Cai Qinghe (5591 3237 3109): "Forum of Responsible Persons of Party Publications Stresses Need To Carry out Propaganda on Party Building"]

[Text] Fuzhou, 11 Oct—Responsible comrades from educational publications all over the country gathered in Fuzhou a few days ago to earnestly discuss how to further do a good job in running educational publications for party members.

It is understood that since the 3d Plenary Session of the 11th CPC Central Committee, new educational publications for party members have sprung up vigorously nationwide. At present, there is a total of 34 provincial-level and city-level party publications throughout the country, with the circulation reaching 11.29 million and every four party members sharing a party publication. The publications constitute an important front for and play a powerful role in educating party members, play the role of a bridge or serve as a link between the party and party members, and become good teachers and helpful friends of vast numbers of party members.

The forum pondered the grave difficulties and pernicious consequences caused to party publications in recent years by Comrade Zhao Ziyang's mistakes in neglecting party building, weakening party leadership, and allowing the ideology of bourgeois liberalization to run wild. The participants believed that in the last 2 years, especially in the period when the turmoil and the counterrevolutionary rebellion broke out in Beijing, 99 percent of party publications and their staff stood up to the test, but one or two party publications committed serious mistakes in conducting propaganda relating to one or two isolated cases; and many party publications failed to take a clear-cut stand and enthusiastically wage a tit-for-tat struggle on their own initiative against Comrade Zhao Ziyang's mistakes and bourgeois liberalization. Party publications used to lack vitality where format and content were concerned. Coverage was narrow and articles were usually tediously long, affecting the results of propaganda.

The forum maintained that to do a good job of running party publications, it is necessary for party publications to bear in mind that "they are family members of the party"; to adhere to the correct orientation; to work hard to carry out propaganda on party building; to take a clear-cut stand in propagating the four cardinal principles and combating bourgeois liberalization; to take a bold and assured stand in conducting education in loving the party, the state, and socialism; and to carry out education in Marxism-Leninism-Mao Zedong Thought,

the party's basic political line, and elementary knowledge of the party. The format and content of the propaganda should be more advanced, more profound, broader, and livelier.

The forum was convened by the National Party Educational Publication Research Association.

Article Views Moral Education in Schools

OW1810022689 Beijing GUANGMING RIBAO
in Chinese 11 Oct 89 p 2

[Article by Dong Chuncai (5516 4783 2068): "Give Priority to Moral Education and Oppose 'Peaceful Evolution'"]

[Text] Youths and children are the future and hope of our nation. The educational goal of our socialist schools is to nurture them into new socialists with ideals, moral integrity, education, and discipline, and into successors to the cause of socialist modernization. There is resistance to the realization of this goal. For instance, a spate of pornographic publications and video shows have been poisoning the youngsters' souls. International reactionary forces, employing the strategy of "peaceful evolution," pin their hopes on Chinese youths. They corrode youngsters by imposing on them, through various channels, the decadent ideology and lifestyle of capitalism. They also attempt to entice youngsters with the evil ways of Western capitalism. In collusion with these forces, antisocialist elements who advocate bourgeois liberalization at home lure youngsters, using the fallacy of "wholesale Westernization," into following their example of subscribing to the evil ways of Western capitalism. The recent turmoil and counterrevolutionary rebellion attested to this scientific conclusion: that class struggle, while no longer a major contradiction in our society, still exists on a certain scale, and that it intensifies under certain circumstances. International reactionary forces draw their strategy of "peaceful evolution" from this fact. The struggle between infiltration and counterinfiltration, subversion and countersubversion, and "peaceful evolution" and "anti-peaceful evolution" is of a long-term nature. Leading educational administrative organizations and schools of all types at various levels should realize this situation and draw lessons from their neglect of ideological and political education. They should stress "anti-pornographic" work and effectively strengthen ideological and political education.

As one of the major bastions of socialist civilization, socialist schools must adhere to socialism and not allow decadent bourgeois ideas to corrode our youths and children. They must persist in struggle to resist such corrosive influences and "peaceful evolution." In order to successfully realize the goals of socialist schools, it is necessary to give priority to moral education, or socialist ideological and political education. Comrade Mao Zedong correctly stated that "the absence of correct political views is tantamount to the absence of soul."

Our schools must relentlessly tutor our youths in ideological education of patriotism, collectivism, socialism,

the spirit of self-reliance and hard work, and revolutionary traditions. They must prevent and resist all forms of spiritual pollution, and help youngsters foster the lofty aspiration of building socialism with Chinese characteristics. Our youngsters' souls are rooted in these efforts, and these efforts themselves are basic guarantees that our youngsters will be steered away from evil ways toward correct practices. Patient guidance and persuasion should be exercised toward corroded youngsters in order to rectify their erroneous ideas and actions.

To realize this goal, leading educational administrative departments should chart realistic and effective courses of action for use as guidance by schools throughout China in conducting ideological and political education. Moral education and the exemplary behavior of school administrators and faculty members are very important. Faculty members and leading party and government leaders in all types of schools and colleges should set a good example for students. So should the leading educational administrative departments. Leaders of exemplary behavior will definitely have a wide-ranging, positive impact on students.

Departments concerned should coordinate their efforts in carrying out the "antipornography" campaign and in strengthening ideological and political education. Departments other than educational agencies should also pitch in. Parents should cooperate with schools and do a good job of educating their children. Publishers should put out superior and wholesome publications for youths. Television stations should broadcast programs beneficial to the physical and spiritual development of youths and children. Radio stations should air programs which have a salutary effect on youngsters. Musicians should compose and sing songs that inspire youngsters with revolutionary zeal. Literary circles should create outstanding socialist works for youths and children. Scientific and technological personnel should produce superb publications. In sum, all those who are engaged in cultural endeavors should supply youths and children with large quantities of wholesome spiritual fare in order to nourish their young souls.

Under the leadership of the party Central Committee and the State Council, the "anti-pornography" campaign and the efforts to consolidate ideological and political education are bound to succeed. This prospect is to be expected.

Article Discusses Marxist View of Press Freedom

HK1910135589 Beijing ZHONGGUO QINGNIAN BAO
in Chinese 3 Oct 89 p 3

[Article by Ma Wenli (7456 5113 3810): "Marx and Engels on Press Freedom Under the Capitalist System"]

[Text] In the 1950's and 1960's, our understanding of press freedom (in the Western language, press freedom and freedom of news are the same) under the capitalist system remained at a level of criticizing only its reactionary and hypocritical nature. During the recent years

of reform and opening up, people have possessed a psychology of blindly worshiping press freedom under the capitalist system. Therefore, an overall study of the discussions on press freedom by the Marxist writers, especially their analyses of the essence of press freedom under the capitalist system, can improve our understanding of the theory of press freedom.

Marx and Engels embarked upon the road of revolution precisely from the struggle for press freedom. After they became the founders of scientific socialism, they still thought that: "The freedom to express ideas is the most holy one among all other freedoms, because it is the foundation of everything." Regarding the progressive meaning of press freedom under the capitalist system, they gave it full approval. However, from the very beginning they had pointed out the essence of this kind of press freedom, and never had high hopes for this kind of freedom.

First, they depicted the formation and development of the concept of press freedom. Marx had elaborated on how the concept of freedom originated from simple exchange of commodities, and how press freedom became a complicated reflection of an ideology when the commodity economy occupied a dominant position. When discussing the event of the Prussian bourgeoisie demanding for the right of press freedom, Marx explained this complicated reflection in colloquial terms: "In order to achieve its aim, the bourgeoisie have to make it possible to freely discuss on matters of its own interest and viewpoint, as well as actions of government. This is called 'right of press freedom'...This is the necessary result of free competition."

In addition, they revealed the common conflict between theory and practice appearing as the bourgeoisie exercised their right of press freedom, so as to uncover the class essence of press freedom under the capitalist system. Marx discovered this point while he was analyzing the French Declaration of Human Rights. Robespierre said during the initial period of the French Revolution: "Press freedom has to be total and unlimited, otherwise it does not exist." However, the legal guarantee for press freedom was often banned. The younger brother of Robespierre said: "Once press freedom jeopardizes public freedom, it must be banned." Regarding this, Marx pointed out: "Once freedom as a human right contradicts with political life, it will cease being a right."

In a period of intense class struggle, this situation can be seen more clearly. In 1871, when the working class in France established the Paris Commune, all the bourgeoisie in Europe felt that their interests had been infringed upon, and the absolute majority of bourgeois newspapers, including those which had reported on and praised the First International, immediately carried news items slandering the Commune and the International. Although some press agencies clearly knew that some information was not correct, they still did so, and refused to publish statements refuting rumors. The

empty words of press freedom could not be heard again. Seeing this, Marx said angrily to his friends: "The fairy tales created in a single day by the press and telegraph capable of transmitting their own inventions all over the world in a very short time are more than could be created in the last century."

Of course, as Engels once said, in a comparatively perfect capitalist system like the one in England, the working class could "for a long time enjoy political freedom," "and enjoy the biggest freedom of political activities." Marx also said, when the penny newspapers became popular, that newspapers became a daily necessity of the working class. However, while admitting this fact, one can not forget Marx's comment on the essence of bourgeois freedom: "The practical application of freedom as a human right is precisely the human right of private property."

Last but not least, they noted the ultimate restraint for press freedom under the capitalist system; that was, money. Although they admitted that under the capitalist system the working class could enjoy a certain degree of press freedom, they also noted that money restrained freedom, and therefore this kind of press freedom was basically the privilege of the bourgeoisie. Engels said: "The strength of the bourgeoisie depends on money, therefore when they want to gain political power the only thing they can do is to make money the sole criterion for people's ability to take part in legislation... Hence, press freedom is merely the privilege of the bourgeoisie, for publication needs money and people who will buy the publication, whereas the people who buy the publication also need money." The situation described here happened during the industrial revolution; thereafter, the working class has had surplus from their incomes to buy newspapers, but the nature of the problem has not radically changed. The restraint of money has always been the biggest obstruction against press freedom under the capitalist system.

Long before the time of Marx and Engels, when the bourgeoisie shouted the slogan of press freedom during the French Revolution, the representative theorists of the proletariat (Francois-Noel Babeuf and others) also raised the same demand. However, the contents being demanded by the same slogan were different. The prerequisite of this slogan shouted by the bourgeoisie was to eliminate class privileges, and when political liberation of this class was realized, press freedom became means to maintain its own political status. The prerequisite of this slogan shouted by the proletariat was to eliminate class itself, and they by instinct demanded liberation of mankind and free development of every man; this thought was later described scientifically by Marx and Engels as "free development of every man is the condition for free development of all men." Regarding this fact, Engels mentioned it time and again, while Marx analysed the difference between the same slogans shouted by the two different classes.

Marx's and Engels' discussions on the problem of freedom were based on solemn scientific research, therefore they were very profound, not just a few slogans of criticism. Young journalists should read Marx's discussions on the problem of freedom in his "On the Problem of Jews," "Capital," and "Anti-Duhring," enabling their thoughts to be more deep and profound.

Article Considers Socialist-Capitalist Relations

OW2010073089 Beijing GUANGMING RIBAO
in Chinese 9 Oct 89 p 3

[Article by Wu Jian (0702 0256) from "Excerpts of Speeches at the Theoretical Forum 'Only Socialism Can Save and Develop China': 'Three Major Aspects of Studying the Interrelationship Between Socialism and Capitalism'—date of forum not given]

[Text] I believe that a study of the interrelationship between socialism and capitalism should begin with the following three major aspects:

First, we should study the relationship between the socialist and capitalist systems, two systems which are diametrically opposed to each other. Their relationship is of one of a new social system replacing an old. The process of replacing the old with the new has already begun. The relative stability of the process as it develops is a manifestation of advances in waves and through twists and turns, rather than being a reversal of systems. As long as we recognize the general trend of social development—that is, socialism definitely replacing capitalism in the world step by step and in totality—we will recognize the basic antagonism between the two systems. However, this does not mean that the relationship between capitalism and socialism one of simple antagonism. Such antagonism has a dual nature that integrates absolute antagonism with relative unity between the two systems. On a global scale, the dual nature is reflected in the integration of the absolute and relative transition from capitalism to socialism—that is, a gradual transition by stages. In any country, especially a backward country, which has taken the socialist road, it is absolutely necessary to effect the transition from capitalism to socialism in both extensional and intensional development in order to achieve the established goal of building socialism. However, it is also absolutely necessary for such a transition, which cannot be completed overnight, to follow the law of self-development. It is wrong to neglect or repudiate absoluteness; likewise, it is wrong to neglect or repudiate relativity. To be specific, upholding the dialectical unity between absoluteness and relativity means to integrate the principle of socialism with flexibility, or to integrate the universal truth of Marxism with the concrete practice in China.

Second, we should study both conflicting and cooperative aspects in relations between socialist and modern capitalist states. In state relations, there are indeed conflicting and cooperative aspects in the state relations between socialist and capitalist countries. The duplicity

of conflict and cooperation reflects the absolute antagonism and relative unity between the socialist and capitalist systems in the state relations between socialist and capitalist countries in the world today. From the angle of historical movements, the duplicity of conflict and cooperation also reflects two different trends in the development of relations between socialist and capitalist countries: They cooperate while conflicting with each other, and they conflict while cooperating with each other. Sometimes conflicts prevail, while other times, cooperation takes the upper hand. Under a given historical condition, total confrontation may emerge. Nixon published a book last year entitled "1999—Victory Without a War." The so-called "victory without a war" means conquering socialism and communism by advocating the anticommunist strategy of "peaceful competition" and "peaceful evolution." We must heighten vigilance against this strategy.

Third, we should study the necessity and limitations of inheriting and learning from each other by the socialist and capitalist economies. When Western countries take the socialist road in the future, the socialist economy they will build will have an inheritance from the modern capitalist economy. In building and developing a socialist economy, undeveloped countries should also draw on the experiences of the West. The question here is not whether to inherit or whether to draw on the experiences of the West, but what to inherit and what experiences to draw on. We hold that in the present age, any developed or relatively developed economy has three levels: the material foundation (the productive forces), the mode of operation (general commodities), and the socioeconomic base (the relations of production). After making such a distinction, it will be easier to solve the questions of what in the modern capitalist economy should be criticized and what among its experiences should be drawn on. 1) Of course, we should absorb the material and technological foundation of the modern capitalist economy; however, we should not do so unconditionally, but according to the situation in our country. The productive forces and the material and technological foundation stand above systems and classes. In the West, however, they are integrated with the capitalist system and its commodity economy. Thus, they are inevitably stamped with some capitalist brands (such as the military use of science and technology, decadent factors in the industrial structure, waste due to high consumption, and the disposition of productive forces). Therefore, we should draw on their experiences analytically and critically. 2) Regarding the mode of operation of the modern capitalist commodity economy, we should take the view of one dividing into two. We should learn from all rational and scientific factors in the structure, operations, and systems of the capitalist commodity economy that are conducive to developing our socialist commodity economy. However, we must resist anything in the capitalist commodity economy that is harmful to the socialist system of public ownership. 3) Fundamentally speaking, the socioeconomic base of the modern capitalist economy, or the capitalist system,

should be negated. However, as far as time is concerned, such negation should go through a process; as for space, it should be done according to local conditions. In discussing what attitude should be taken toward the capitalist system, we should divide it into a basic and a general system. When we consider the capitalist system, its basic economic structure is based on private ownership and it is characterized by wage labor and foreign expansion; its basic political system is a system of capitalist oppression based on two main classes, the bourgeoisie and the proletariat, and is characterized by bourgeois democracy and dictatorship. Naturally, this system should be negated. As for as general capitalist economic and political systems, such as the system of public servants, we can draw a lesson from them after discarding what is not useful or what is unhealthy.

Armed Police Force To Issue Service Cards

OW1710090389 Beijing XINHUA Domestic Service
in Chinese 1315 GMT 16 Oct 89

[Text] Beijing, 16 Oct (XINHUA)—"The Service Cards of the Officers of Chinese People's Armed Police Force" and "the Service Cards of the Civilian Cadres of Chinese People's Armed Police Force," which were approved by the State Council and the CPC Central Military Commission, will be used as of 20 October.

These service cards were designed and printed with "The Service Cards of the Officers of Chinese People's Liberation Army" and "The Service Cards of the Civilian Cadres of Chinese People's Liberation Army" as models. They are rectangular in shape, with blackish green artificial leather covers. A design of a gilded police emblem appears on the upper side of the cover. The names of "The State Council of the PRC" and "the CPC Central Military Commission" are inscribed on the lower side of the cover. These service cards are to be issued by the political organs at or above regiment level. They are identification cards for officers and civilian cadres of the Armed Police Force.

More Casualties Found in Northern Earthquakes

OW1910165489 Beijing XINHUA in English
1625 GMT 19 Oct 89

[Text] Beijing, October 19 (XINHUA)—Up to the press time, twenty-nine people have been found killed and 34 injured in the earthquakes which occurred in the area between northeastern Shanxi and northwestern Hebei in north China last night and early this morning, according to the State Seismological Bureau.

Another aftershock registering 5.1 degrees on the richter scale rocked the same area at 6:29 P.M. (Beijing Time) today.

The range of 400 to 500 k.m. wide near the shaking area has been affected by the quakes, the bureau announced.

Government Trains Doctoral Degree Recipients

OW1810232289 Beijing XINHUA in English
1457 GMT 18 Oct 89

[Text] Beijing, October 18 (XINHUA)—China is in the midst of training its first generation of doctorate degree holders and is sending thousands of its talented young people to study abroad.

China awarded doctor's degrees to the first group of 18 students in 1983, and has since trained 3,000.

About 3,700 professors are tutoring doctoral candidates and there are 109 post-doctorate research stations in more than 70 colleges and research institutes.

In 1988 some 1,700 candidates were given doctor's degrees, exceeding for the first time the number of Ph.Ds trained abroad.

When Hu Xiaotang, the first Ph.D winner in surveying technology and instrumentation at Tianjin University, planned to begin research into laser interference free-angle survey, his tutor warned him that the project was very difficult.

But he answered, "I can do it." Three years later, he finished the research and won results which foreign scientists had not found in the past 30 years of research.

Qu Zhiming, also a Ph.D-holder, not only won a national prize in China for his thesis on electric arc control in welding, but also obtained a patent right in Europe and signed an agreement to transfer his achievement to a European company.

By the end of 1988, China had awarded doctor's degrees to 354 students specializing in liberal arts, 955 in science, 1,227 in engineering, 86 in agronomy and 334 in medical science.

Gao Ge, a student at the Beijing Aeronautical Institute, worked out a design for a flame stabilizer for jet aircraft, after noticing the movement of sand dunes in the desert.

In 1985 this new kind of stabilizer was adopted by China's Air Force.

In 1988 more than 3,000 students were enrolled to study in universities and colleges for doctorates, 10 times the number in 1982 when the first group of postgraduates were recruited for doctorates.

Tiananmen Square Opens To Public 16 Oct

HK1810031189 Beijing ZHONGGUO XINWEN SHE
in Chinese 0707 GMT 17 Oct 89

[Report: "Tiananmen Square Opens to the Public, Receives 15,000 Tourists on the First Day"—ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 17 October (ZHONGGUO XINWEN SHE)—Our reporters learned from a relevant department that yesterday was the first day that the Tiananmen

Square opened to the public. The staff and workers of the Tiananmen Square were very busy yesterday because more than 15,000 Chinese and foreign tourists entered this world-renowned square. Yesterday, Chairman Mao's Memorial Hall and the Great Hall of the People also opened to the public.

Before China's "1 October National Day," it had been reported that the huge colorful flower terraces built on the Tiananmen Square had opened to the organized masses for the first time since the enforcement of the martial law in Beijing. The so called "organized masses" referred to the Beijing citizens and the tourists from other parts of China, who numbered 10 or more and were in possession of letters of introduction issued by work units at and above county or regiment level. However, foreigners, Chinese with foreign nationalities, Overseas Chinese, and Hong Kong, Macao, and Taiwan compatriots were given preferential treatment. They were allowed to enter the Tiananmen Square as long as they could produce their identity cards and go through the due formalities.

Between 25 September and 15 October, the Tiananmen Square received a total of 0.56 million people who came to enjoy the beautiful flowers. Among these visitors, there were some 80,000 tourists from other parts of China and some 19,000 tourists from Hong Kong, Macao, and Taiwan.

Now the huge colorful flower terraces have been removed from the Tiananmen Square and have been replaced by eight photo-taking kiosks engaged in the business of taking photos for tourists in front of the Tiananmen Square and the Monument to the People's Heroes. Our reporters noticed that the well-known "Xin Beida" and "Bei Fang" studios, which had formerly run photo-taking kiosks on the Tiananmen Square, have already resumed their business operating on the Tiananmen Square. However, the photo-taking kiosks run by some individual operators on the Tiananmen Square in the past have now disappeared.

A cadre of the Tiananmen Square Management Office explained to our reporters that the Tiananmen Square is open to the public means that individuals who number fewer than 10 are now allowed to enter the Tiananmen Square so long as they possess letters of introduction issued by their work units and produce their identity cards.

Beijing University Freshman on Life at Academy

OW1710100389 Beijing XINHUA in English
0838 GMT 17 Oct 89

[Text] Beijing, October 17 (XINHUA)—More than 700 Beijing University freshmen from all over China are undergoing a year-long military, political and professional course in Shijiazhuang Army Academy, some 300 kilometers southwest of Beijing.

Here are some of their experiences since they registered with the academy on October 7 and 8:

Happy Birthday

Xia Tian, an English major from Beijing, celebrated her 18th birthday in her new dormitory with 10 roommates and three officers on the evening of October 10. She wore her new Army uniform in honor of the occasion.

One of the officers presented her with a birthday cake and card, which read: "How you have changed in the past two days on your birthday you have become a cadet. Happy birthday to you from us all."

Xia Tian replied: "I never thought I would spend my 18th birthday like this."

Cry Over Haircut

Army academy regulations require cadets to have their hair cut short after registration. Many freshmen were at first reluctant to submit to the scissors, especially female students, who are supposed to have their hair cut back to the ears.

Piao Yangfan, an 18-year-old who wore her hair over her shoulders, could not stop herself from crying when her hair was being cut. She has carefully stored away her shorn tresses as a memento.

In an interview later, Piao said she felt ashamed for crying, and added: "Short hair saves me a lot of time, especially in the morning."

One boy had spent 12 yuan having his hair curled the day before his registration. When he entered the academy he was very proud of his locks. But he kept them for only one day. He said: "What a pity."

Plainclothes Cadets

On October 11, all the freshmen began to wear Army uniforms except three males and two females, who remained in civilian clothes because of their "special body shapes".

Law major Liu Ming and economy major Zhang Yuqin were among the five "special figures". The academy was to make special uniforms for them. They are too tall and the two others are too fat. Still another has extraordinarily long arms.

Liu Ming, 24, former spiker of a Beijing man's volleyball team, is 1.93 meters tall. The academy has made an extra-long quilt for him, but his two-meter-long bed is still a little short.

The officer in charge of his squad has offered two choices: One is to saw off the bars at the ends of two beds joined together, and the other is to make a special bed and place it in the officer's own room.

Liu Ming's roommates prefer him to stay in their dormitory, saying that "we need a strong guy to help us." Liu Ming says with a smile: "I don't care where I stay."

The 1.8-meter-tall Zhang Yuqin is a former goalkeeper of a Beijing women's football team. She says she has been invited to keep goal for a men's football team at the academy.

20 Letters in Five Days

After first entering the academy, most freshmen spent all their spare time writing letters to their parents, teachers and friends.

They wrote so many letters that the soldier responsible for sticking on the free-of-charge post seals became exhausted and let the freshmen seal the letters themselves.

Long Xiang, a freshman from Sichuan Province in southwest China, has taken the lead in letter-writing. In his first five days at the academy he wrote 20 letters.

He says: "I feel everything here is interesting and I am eager to tell what I have seen and heard here to my parents and friends."

Youngest Entrants

Boy student Fan Xiaoyin, 14, and girl student Chao Qing, 15, both from Beijing No. 8 Middle School, are the two youngest freshmen in the academy.

Fan Xiaoyin is eager to go home to show off his new Army uniform to his parents and friends. He says: "I feel I am somebody now."

Fan, a mathematics major, says he is very interested in marksmanship and hopes to shoot as much as possible in military training.

Chao Qing, a medicine major, is also pleased to wear Army uniform. She says she had never thought she would lead an Army life at 15.

"I hope that I can become stronger after a year of training here," says Chao. She is 1.61 meters tall but weighs only 40.5 kilograms.

Jiang Accuses Population Control Critics

HK1610021589 Hong Kong HONGKONG STANDARD
in English 16 Oct 89 p 6

[By Tammy Tam]

[Text] Communist Party chairman Mr Jiang Zemin has accused the West of criticizing China's family planning policy for ulterior motives.

Mr Jiang told officials in Shannxi Province's Yanan District that the West had attacked China's family planning policy under the umbrella of democracy, freedom and human rights.

Its main purpose, however, was an economic invasion of China, he said.

Mr Jiang said the West wanted China's population to increase so businessmen could make money out of the country. International businessmen knew that they could do very well if China's population continued to grow at a rate which was worrying the government.

They were simply motivated by a desire to earn money and had no concern for the country's problem of feeding its citizens, he said.

Although he urged officials to keep an open mind on the issue, he said it was their duty to implement the policy properly.

This is not the first time that China has attacked the West for criticising its one-child policy.

Officials have often seen international criticism as interference in China's domestic affairs.

Although critical of what it sees as foreign interference in its sovereignty, China is particularly sensitive about comments after the Army put down the protest movement in Beijing in June.

However, this is the first time a senior official has commented so strongly on the issue.

Mr Jiang said providing people with enough to eat was a major problem in a country with 1.1 billion people.

"If we cannot solve the food problem for 1.1 billion people, no country in the world will be able to save us," Mr Jiang was quoted as saying.

His speech was delivered by the director of the State Family Planning Commission, Mrs Peng Peiyun, on Saturday at a national symposium in Hangzhou.

China's compulsory one-child policy has been attacked by the West, which calls it inhumane because rural women often have an abortion after bearing a second off-spring.

The vice-president of the China Family Planning Association, Mr Liang Jimin, said that most of the 34 million Chinese families adopting the policy lived in urban areas.

The problem was in the country areas where people were poorly educated and didn't understand the need for the policy, he said.

"We have run into trouble with the policy in the countryside," Mr Liang said.

China wants to limit its population to 1.2 billion by the year 2000.

Since it was introduced in the 1970s, the one-child policy has been resisted in rural areas where peasants want big families.

Because of this, the government has punished people breaking the rules.

Parents who have a second child are denied promotion at work and forfeit state subsidies.

The West's attack has centred on the abortion issue.

The United States granted political asylum this year to a Chinese citizen who claimed he faced punishment for having two sons.

He said his wife was a Catholic and was forced to have an abortion during the fifth month of her third pregnancy.

Chinese officials have repeatedly said that the one-child policy benefits the country and the world.

Speakers at the symposium predicted that the number of new-born babies this year would reach 23 million.

Official figures showed that more than 510,000 babies were born in first half of the year.

This was far higher than the 1989 figure, they said.

Something had to be done about the increase in population and the one-child policy was critical to curbing it, they said.

Expert attending the symposium said China was facing its third population crisis since 1949.

It was essential the problem was dealt with, they said.

Draft Family Planning Law Being Drawn Up

HK1910053789 Hong Kong ZHONGGUO TONGXUN
SHE in Chinese 1522 GMT 17 Oct 89

[Report: "Chinese Law on Family Planning Will Be Enacted in October Next Year"—ZHONGGUO TONGXUN SHE headline]

[Text] Hangzhou, 17 Oct (ZHONGGUO TONGXUN SHE)—A (draft) Chinese law on family planning, which concerns hundreds of millions of mainland families, will be enacted in October next year. Peng Peiyun, director of the State Family Planning Commission, revealed this latest information to a group of reporters today.

Because people in different social circles hold different views on the legislation of family planning, the law on family planning has not been enacted so far although discussions about the problem started in 1980.

What is in force now is local family planning regulations formulated in light of local actual conditions according to state family planning policies.

Some provinces give special consideration to single-daughter families and allow them to have a second child; others allow rural families to have a second child; and still others only permit a small number of families with special difficulties to have a second child.

Family planning work has met with obstacles in many localities due to a lack of legislation. Once personnel in charge of family planning work in Guangxi and Hunan imposed fines according to local regulations on those who practiced multiple births, but the local peasants accused them of "violating the Constitution" and "marriage law." The following case even occurred in Hunan: Some grass-roots cadres imposed penalties on the peasants who practiced multiple births, but local judicial departments objected to such penalties.

Reports say that the draft of the Chinese law on family planning has been revised a dozen times or so and now opinions are being solicited from experts in all fields so as to make it as perfect as possible.

Warning Sounded on Population Growth Rate

HK2010132389 Beijing RENMIN RIBAO in Chinese
16 Oct 89 p 1

[XINHUA dispatch from reporter Yu Changhong (0060 7022 3163): "A 'Yellow Card' Is Shown to the Continuous Population Growth of China"]

[Text] Beijing, 14 Oct (XINHUA)—The 1.1 Billion Population Day passed half a year ago. What is the present population situation of our country? The information coming from the State Family Planning Commission brooks no optimism: Some 510,000 more babies were born in China in the first half of this year compared with the same period of last year. It is estimated that about 1.18 million more babies will be born this year compared with last year, and a striking "yellow card" has been shown to the continuous population growth.

On the basis of the statistical data of all provinces, municipalities, and regions compiled by the State Family Planning Commission, of the 510,000 births in the first half of this year, 370,000 were first births, 140,000 were second births, and third and additional births basically did not increase.

The Planning and Statistical Department of the State Family Planning Commission has analyzed the reasons for the increase in births: 1) The number of women at optimum child-bearing age (20-29 years old) this year is some 6.3 million more than last year; 2) Some rural areas have implemented the policy of permitting women to have a second birth at an interval of several years; 3) the statistical quality of the family planning departments has improved, resulting in a great reduction in the phenomena of concealing or evading report; 4) some local grass-roots work is still really poor and some places are even in a laissez-faire state, giving rise to unremitting additional births.

In the light of the slight increase in the population growth rate in the first half of this year, the State Family Planning Commission has proposed: All places must not lower their guard and must keep a clear head, adopt

effective measures to control the excessively quick population growth, and grasp the family planning work firmly and well.

Number of Bachelors, Spinsters Increasing

OW2010015289 Beijing XINHUA in English
1524 GMT 19 Oct 89

[Text] Beijing October 19 (XINHUA)—For thousands of years the Chinese people believed that a grown-up male or female ought to get married. But nowadays, this is no longer the only choice for Chinese young people.

According to the results of a recent investigation, there are 11 million single people between the ages of 28 and 49, some 3.9 percent of the population of that age group in China. The number of male singles is 14 times higher than that of female singles.

The investigation also shows that there are 4.25 million more male singles in rural areas than in urban areas, while there are 1.92 million more female singles in towns than in the countryside.

Statistics show that single females are mainly concentrated in towns especially in big cities, while most male singles live in rural areas, especially remote and poor areas.

Wang Wei, a professor of ethics at Beijing's People's University and deputy editor of the magazine, "FAMILY AND MARRIAGE", said that attitudes toward marriage of China's younger generation have greatly changed. Nevertheless, unlike Western celibates, most Chinese single people have to keep away from any intimate relationship with the other sex, and this calls for strong psychological endurance. He said many single people, especially single women, because they can not find a satisfactory partner, are rather reluctant to make the choice.

Wang said that this problem first became urgent when a great number of young people returned to their hometowns in the early 1980s. They had gone to the countryside during the "Cultural Revolution" (1966-1976). Among them were many females who had passed their best age to find an ideal husband.

Some scholars urge society to respect other people's free choice of lifestyle, and create a better environment for social intercourse.

It is reported that from 1982 to 1987, the number of single men in rural areas decreased by 13.8 percent, and that of single women by 13.7 percent, while in towns and cities the number of single men increased by 11.71, and of single women by 8.41.

Wang Wei attributed the decrease to the economic improvement brought about by the reform policy, and noted that the lower educational standards of single men in urban areas make them unattractive to women who have received higher education.

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HK1810043989 Beijing RENMIN RIBAO in Chinese
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Science & Technology

Optical Fiber Industry Seminar Reveals Advances

OW1810022289 Beijing XINHUA Domestic Service
in Chinese 1510 GMT 11 Oct 89

[By reporter Feng Yizhen: "Local Broadcast News Service"]

[Text] Beijing, 11 Oct (XINHUA)—China's optical fiber communication, which was initiated in early 1970's, has entered into a stage of practical use.

This reporter learned from the National Fourth Seminar on Optical Fiber Communication held in Shanghai that batch process for producing optical fibers, appliances, terminals, and other supporting equipment had already begun in China and basically formed a comprehensive enterprise. The total length of optical fiber cable, which has been installed or planned, amounts to 1.14 million kilometers, including the 2,400-kilometer Ning-Han-Yu Optical Fiber Cable Project, which will be accomplished next year and the 252-kilometer Hanyang-Jingzhou Optical Fiber Project, which has already been put into operation, with all of its optical fiber cable and equipment made in China. Most of the 15 typical demonstration projects, installed for long-distance main lines, relays for cities, railway communications, radio and TV broadcastings, communications for power plants, and traffic monitors, have been accomplished, with a good condition of operation. A batch of optical fiber cable projects in Shanghai, Beijing, Wuhan, Guilin, Guangzhou, and other cities also have been put into operation.

China is now able to manufacture the fourth generation of single-mould optical fiber with international standard. The single-mould quadruple optical fiber communication system which has been successfully produced in China has 1,920 circuits in a pair of lines, a 300 percent increase over the triple-optical fiber communication system. The dynamic single-longitudinal-mould laser, which can only be manufactured by a few countries, and the long-wave length avalanche laser diode and single-mould tail-fiber illuminating tube have been successfully trial-produced and put into operation. The newest technology in optical fiber communications used abroad, such as the partial optical fiber network and office automation, has also made a breakthrough in China.

Largest Wind-Driven Power Station Completed

OW3009061289 Beijing XINHUA in English 0943 GMT
29 Sep 89

[Text] Urumqi, September 29 (XINHUA)—China's largest wind-driven power station has been completed and put into operation in the outskirts of Urumqi, capital of Xinjiang Uygur Autonomous Region, on the eve of the National Day which falls on October 1.

The station will have power generators with a capacity of 4,000 kw, which were given gratis by the Danish Government. So far, generators with a capacity of 2,150 kw have started operating, which can provide seven million kwh [kilowatt-hours] of electricity a year.

It is learnt that the station will have a total generating capacity of 10,000 kw when it is wholly completed. The electricity from the windmills will be put into the Urumqi power transmission network.

Xinjiang, a windy region, ranks third in China in terms of wind power resources.

The successful installation of the current windmill will provide experience for the vast rural and pastoral areas

in Xinjiang, which covers 1.6 million sq km and many areas are out of reach of major electric network.

Official Cites Advances in Weather Forecasting

OW1910133489 Beijing XINHUA in English
1255 GMT 19 Oct 89

[Text] Beijing, October 19 (XINHUA)—Chinese weathermen have accurately forecast the more than 40 typhoons that have swept over China's coastal regions since 1983 and helped minimize property damage and loss of life, Zou Jingmeng, head of the National Meteorological Bureau said here today.

Zou said, China has constructed a comprehensive weather forecasting system integrating ground and radar observation, upper air survey and other specialized observation facilities.

In 1987, when an unprecedented fire was sweeping through the Daxingan Mountain Range in northeast China, the country's largest forest zone, weathermen correctly monitored flames by observing the weather conditions in the area. Cloud seeding directed by the meteorologists caused artificial precipitation which helped put out the fire.

According to Zou, meteorological services have been extended to about 100 areas of economic development, particularly agriculture. The economic benefits of the services have been 15 to 20 times as much as the investment.

Over the past few years, he said, the national meteorological bureau has invested 200,000 yuan and helped 140,000 farmers escape poverty. The investment has yielded a return of 220 million yuan.

China has close ties with 80 countries and regions in meteorological co-operation. Ten bilateral and multilateral agreements have been signed.

In 1987, Zou Jingmeng was elected chairman of the World Meteorological Organization. He is the first Chinese to hold a leading position in all specialized United Nations Organizations.

Space Center Develops Thunderstorm Sensor

OW1910150289 Beijing XINHUA in English
1445 GMT 19 Oct 89

[Text] Beijing, October 19 (XINHUA)—A new sensor developed by the space center of the Chinese Academy of Sciences (CAS) cannot only record the precise number of thunder rolls and lightning flashes, but can also forecast thunderstorms.

The sensor is able to locate the exact position and intensity of a thunderstorm as far as 1,000 km away.

According to the records made by the equipment, altogether, 6,583 thunder rolls hit Beijing between June and

September this year. Shifusi, at the south end of the city, recorded the highest density.

The strongest thunder roll occurred near the city's Pinggu County July 1. Its energy was equal to three tons of TNT.

The sensor is believed to be useful for protecting the nation's important industrial and military installations.

Chinese researchers started working on the detector in the early 1970s, when they experimented with detecting the electro-magnetic pulses produced by the explosion of atomic and hydrogen bombs.

The space center of CAS is now able to mass produce such sensors.

Scientists Produce Hepatitis B Vaccine

OW1910053689 Beijing XINHUA in English
1047 GMT 18 Oct 89

[Text] Beijing, October 18 (XINHUA)—Chinese scientists have succeeded in producing vaccines for Hepatitis B, and have started trial production.

This is the No.1 biotechnology research project for China's Seventh 5-Year Plan (1986-90).

According to a report on China's progress in biotechnology research, prepared by Professor Hou Yunde, director of the Institute of Virology of the Chinese Academy of Preventive Medical Science, scientists have been able to obtain large amounts of antibodies for Hepatitis B by means of genetic recombination.

Hou said that scientists transplant surface antigens obtained from the protein molecules of people who carry the virus into bacillus coli, which then duplicate large amounts of Hepatitis B antibodies.

This replaces the former method of extracting Hepatitis B antibodies from a large amount of blood from virus carriers. The estimated output of antibodies produced with the new method is 100 times more than that of the old, the professor said.

Hou noted that the achievement has great significance in China since the number of persons who carry Hepatitis B virus or who suffer from the disease is nearly 100 million, nearly half of the world's total.

When mass production begins, Hou said, doctors will be able to vaccinate infants in the 1st, 6th, and 10th months after their birth.

They can also be used on people already suffering from Hepatitis B and Hepatitis B virus carriers to suppress the growth of the disease.

In the process of developing biological technology, Hou stressed that special emphasis will be put on increasing grain production and enhancing disease prevention for the estimated 1.2 billion Chinese people by the end of the century.

Military

Jiang Inscribes Motto for Army Medical School

OW1510094189 Shanghai City Service in Mandarin
1000 GMT 5 Oct 89

[By station correspondent (Jiang Heping)]

[Text] The Second Army Medical School has made outstanding achievements in the 40 years of its founding. The school has trained more than 20,000 specialized personnel in medicine, pharmacology, nursing, and public health management for the People's Liberation Army [PLA].

On occasion of the 40th anniversary of the founding of the school, Comrade Jiang Zemin inscribed the school motto, "Seek Truth; Be Creative, Strict, and Faithful to the Cause," to congratulate the school.

General Zhao Nanqi, director of the PLA General Logistics Department; Chen Zhili, deputy secretary of the Shanghai Municipal CPC Committee; Li Jiahao, vice chairman of the Standing Committee of the Shanghai Municipal People's Congress; Xie Xide, chairman of the Shanghai Municipal Committee of the Chinese People's Political Consultative Conference; and Ni Tianzeng, vice mayor of Shanghai, attended the ceremony celebrating the 40th anniversary of the founding of the medical school.

In their speeches, General Zhao Nanqi and Deputy Secretary Chen Zhili urged the school faculty and students to carry forward the cause and vigorously forge ahead into the future to make the school a first-rate army medical school.

Jiang, Yang Shangkun Greet Spratlys Garrison

HK2010051789 Beijing JIEFANGJUN BAO in Chinese
1 Oct 89 p 1

[Report by Liu Xingan (0491 5281 1344) and Fan Juwei (5400 3515 3555): "Jiang Zemin and Yang Shangkun Make Calls To Express Appreciation for Officers and Soldiers Guarding the Nansha Islands and Hope They Will Make Persistent Efforts To Fulfill War Preparedness and Work Hard"]

[Text] Haikou, 30 Sep—On the eve of National Day, CPC Central Committee General Secretary Jiang Zemin, President Yang Shangkun, and others called the Nansha Islands to express their regards to all the officers and soldiers guarding the islands, sharing the joy of the grand festival of the Republic. All the officers and soldiers of the Nansha garrison expressed to the party their determination to fight to the death in defending the dignity of the country.

At 0940 on 27 September, General Secretary Jiang Zemin, President Yang Shangkun, and other party and state leaders were visiting the exhibition on achievements in

communication organized by the General Staff Headquarters in Beijing. When they heard that it would be possible to call the officers and soldiers defending the country's Nansha Islands from there through a communications satellite, General Secretary Jiang Zemin excitedly made a call to Yongshu Jiao in the Nansha Islands, and said: "This is Jiang Zemin. You have worked hard, and I send you my regards and greetings on the occasion of National Day. I hope you will carry on and work well for war preparedness." President Yang Shangkun took the phone and said: "You have worked hard. I send you my greetings and best wishes for your work and life. I hope you will work hard again and win merit!" Other party, state, and Army leaders, such as Political Bureau member Song Ping, CPC Central Military Commission Deputy Secretary General Liu Huaqing, and Chief of General Staff Chi Haotian, also called the officers and soldiers in the Nansha Islands, encouraging them to do well various tasks under the leadership of the CPC Central Committee and CPC Central Military Commission.

Fu Ziqiang, political commissar of the Nansha garrison, said on the phone on behalf of all the officers and soldiers that they would certainly live up to the expectations of the country and the people; that they would carry on in developing the "five revolutionary spirits" advocated by Chairman Deng, step up war preparations, train and drill in the toughest manner, stand ready to annihilate any enemy who dares to intrude, and fight to the death in defending the country's Nansha Islands; and that these are the practical actions they have taken in return for the party and the people's care.

Official Urges Soldiers To Study Jiang's Speech

HK1810153389 Beijing RENMIN RIBAO in Chinese
13 Oct 89 p 4

[XINHUA Report: "Hong Xuezhong Says the Central Task of the Army Is To Seek Unity of Action in the Spirit of Jiang Zemin's National Day Speech"]

[Text] Beijing, 12 Oct (XINHUA)—While inspecting the troops in the Yanshan area the other day, Hong Xuezhong, deputy secretary general of the Central Military Commission, pointed out that the central task before the Armed Forces today is to study properly General Secretary Jiang Zemin's National Day speech; unify thinking and action in its spirit; strengthen party building, the building of workstyle, and discipline; and earnestly build up the troops.

Hong Xuezhong stressed that in studying General Secretary Jiang Zemin's speech, we must take into account what the troops are actually doing and thinking, and must attain the result. He said that the fact that the counter-revolutionary rebellion broke out in Beijing shows that the intention of the hostile forces at home and abroad to destroy us has not died out. They have been carrying out "peaceful evolution" and activities of sabotage in a vain attempt to subvert the socialist system of our country. It must be noted that the duties of the Armed Forces in

peacetime have not been reduced, but have been increased. Defending the motherland and the four modernizations are the sacred tasks of the Armed Forces. They must not relax their vigilance at any time.

After inspecting the troops' agricultural and sideline production base, Hong Xuezhi said: At present, our country is not well-off, there are still many difficulties in reform and construction. We should have high aspirations, carry forward the spirit of hard struggle, do a good job of agricultural and sideline production, attain better economic results, and lighten the country's burden. It is a glory for the Armed Forces to strive for the interests of the people and the country.

Shijiazhuang Academy Begins Student Training

700 Freshmen Report

OW1210045689 Beijing XINHUA in English
0231 GMT 12 Oct 89

[Text] Shijiazhuang, October 12 (XINHUA)—The Shijiazhuang Military Academy, China's cradle of officers, today began to provide one-year military and political training for more than 700 freshmen from Beijing University.

With over 3,000 students of six different specialties and more than 500 faculty members, the academy is by far the largest of its kind in China. It has trained more than 20,000 officers in its 12-year history.

Located in North China's Hebei Province, the academy, with a 360 ha campus, is equipped with up-to-date teaching facilities, including 41 military training grounds, 16 classroom buildings, laboratories, library and a teaching monitoring center. The school has also tried hard to modernize its teaching methods.

In the topography classroom stands a 40 sq m electronic sand table, on which are lifelike imitations of rivers, mountains, villages and factories.

In the artillery training room students are divided into a "blue tank army" and a "red artillery army" who fight against each other on a large video screen.

Apart from the one-to-three-year training courses for squad leaders and soldiers due for promotion, the academy also enrolls undergraduate students.

Xiang Xu, vice-president of the academy, said that, since in 1982, military delegations from more than 46 countries and regions including the United States, Great Britain and Japan have visited the school for academic exchanges.

Poll Says Students Eager

OW1210211689 Beijing XINHUA in English
1611 GMT 12 Oct 89

[Text] Shijiazhuang, October 12 (XINHUA)—An opinion poll held at the Shijiazhuang Military Academy shows that the overwhelming majority of the 730

freshmen from Beijing University are keen to undergo military and political training starting today, and half of them claimed they have the backing of their parents.

The poll was conducted by the academy in one of the six student squads, which has 120 students from 25 provinces, cities, and autonomous regions. They are students of 12 departments, including mathematics, geophysics, sociology, and Russian.

"The survey was done anonymously to make it as accurate as possible," said Li Yuhai, an officer in charge of the poll.

Results of the survey show that 98 of the 120 students polled consider the training "necessary"; 22 of them thought it "unnecessary."

The survey also put forward three special questions, namely: What did you worry about most after entering the academy? What do you want to know most and what are your suggestions about the training?

What the majority of the freshmen worried about most was the prospect of not being able to handle tough training and that their studies might be affected; two of them worried that they might be "named in public" if they fall behind in the training, and another two said that they "no longer feel as worried" now as they did before entering the academy.

More than half of the students cared most about how to fulfil their training tasks, while 40 of them cared most about their diet. One student wrote, "people can't survive without food", another student wrote, "I care most about the government's attitude toward college students and China's political situation."

It is known that meal expenditure for each freshman per day is 2.3 yuan, 20 cents more than that for ordinary students.

Over 60 percent of those investigated wanted more recreational activities and more time to themselves. More than 20 students suggested more time for their own special studies.

"Military training is good for the willpower and health. Whoever you are and whatever you do, you should have the brave and staunch quality of a soldier," said Ye Haidong, a student of mathematics from Beijing.

Yuan Jiansong, a student of computer science and one of the three members of the Communist Party, said that "we need this kind of training to enhance our political awareness after the counterrevolutionary riots in Beijing."

Pu Hongjun, a student of statistics from southeast China's Jiangsu Province, noted, "I feel a sense of freshness and solemnity when I put on the uniform, and I'll train hard in the year ahead."

Article Reviews Army Building Report

HK1610152189 Beijing RENMIN RIBAO in Chinese
10 Oct 89 p 6

[Article by A Bu (7093 6752): "Thoughts on the Fate of the Army's Survival and Development—Commenting on the Literary Report "The General Trend"]

[Text] The appearance of the report "The General Trend" by Army writer Zhong Su (carried in the No 5 issue of KUNLUN for 1989) represents an important harvest in the development of military literature in recent years. It is packed with the writer's thinking on Army building.

"The General Trend," through the eyes of generals of the republic, ponders the fate of the whole Army's survival and development in the surge of the reform. The object of the writer's study is no longer a concrete unit and is instead the 3-million-strong Army of the republic as a whole. The Army needs to review its own behavior in reform from a very high plane. Writers of military literature also need to recognize this important social reality from a very high plane.

Zhong Su applies a general's way of thinking to studying the Army. He wants to air some of his own views on all the major problems confronting the Army in regard to the Army's training and fighting, the Army's ideological and political work, the Army's production and self-salvation efforts, Army management, revolutionary heroism, the building of the Army in the scientific field, the concept of the ocean, the nature of the Army, and so forth. It can be seen that on any of these subjects, one or several articles can be written. But Zhong Su makes a valuable study, enabling his work to be relatively comprehensive and highly informative.

Of these many chapters, the most colorful and interesting are those on reform and training, reform related to political and ideological work, production and self-salvation, internal decision-making, and the concept of the ocean. "The General Trend" has the following several features on thinking about the survival and development of the Army.

1. Drawing on new concepts of military theory in the pattern of world affairs, Zhong Su pays attention to the influence of reform on the Army. He pays particular attention to the reform of the Army itself, the attitude that the Army should assume in the world, and the question of whether the Army itself is an isolated system. What he is looking for is the vitality of the Chinese Army placed among its rivals in the world. He discovers that General Wang Chenghan and General Zheng Wenhan team up in pushing open a heavy iron gate, letting the hall of such an advanced military institute as the China Academy of Military Sciences face the whole world. He discovers that General He Daoquan makes a point of talking about the world military situation at various kinds of meetings. As a soldier, what General He is concerned about is the world situation. Within the limits

of his own powers, he uses new ways of military thinking as a guide to training. He pays particular attention to the reactions of special armed units. The training plan of He Daoquan's skiing unit is approved and supported by the higher-level leadership.

2. The cream of tradition is explored in the mentality of national culture.

Zhong Su equates the reorganization of Army ideological and political work in the past few years with a "strategic withdrawal." This is a vivid analogy. The everyday political and ideological work of the Chinese Army is rooted in historical tradition and also bears the deep imprint of the mentality of national culture. It is restrained by the mentality of national culture. In understanding these traditions in the past, we paid more attention to political significance and less attention to the mentality of national culture. Therefore, many good traditions were likely to be influenced by politics and not upheld. Take the matter of officers and men during the Chinese Spring Festival for example. People often think that cadres and soldiers are having fun together. But in General Li Guangxiang's speeches and deeds, Zhong Su sees a new meaning. General Li has for 8 consecutive years remained at a company unit's remote guard post, spending the Chinese Spring Festival with the fighters. Before every festival, he always purposely first checks whether there is anything lacking in either the spiritual or the material field. He thus thinks that "unlike in the West, the Chinese stress, from the cradle to the grave, love of the family. As soldiers join the Army with such a cultural mentality, they subconsciously take the company unit as their own home, company heads and political instructors playing the role of parents, to a certain degree. This is the peculiar mentality of Chinese soldiers." How natural and normal in human relations this is. The political factor is mingled with the mentality of national culture as one. In Li Guangxiang's speeches and deeds, Zhong Su finds a way of thinking to promote the cream of traditions. This plays a great enlightening role in our understanding of traditions and the promoting of traditions.

3. We must advocate the spirit of the "local climate" in a difficult plight calling for patience.

In the strict sense of the word, any major reform in a tightly organized group like the Army should cast supreme command headquarters in the main role. But the Chinese Army has a problem: It has no money. To develop the economy, the country cannot increase military spending much. This forces General Wang Chenghan to study the problem of making beancurd to supplement income. It forces many Army units to create a "local climate," in order to tide over the difficult period of survival and development. Zhong Su understands the Army's difficult plight and also appreciates the positive spirit of the Army in creating a "local climate." He understands what embarrasses the Army in these activities. What is more important is that he sees in the actions of the troops a future. They are doing what

soldiers should not be doing. But they must achieve the goals that soldiers must attain. This is what characterizes the current work of the Chinese Army.

There are things about China, including things about the Chinese Army, which are so wonderful. We cannot rush things one bit, nor can we wait one bit. We must face up to this complicated reality. We must not only show a spirit of patience, but also have a positive spirit of creativity. Without understanding these things, we cannot be considered to have understood the Chinese Army and to have really understood China.

As far as reportage on actual events is concerned, the writing of military literature involves more difficulties and more limitations. This arises from the peculiarities of the Army. For this very reason, reportage portraying real life in the Army was for a time not often seen. Given this situation, Zhong Su still insisted on making investigations and studies in the Army. After a trip of "up to 10,000 li" and a period of 2 or 3 months, he at last acquired large amounts of first-hand data. He incisively depicted the actual conditions of the People's Liberation Army. He made a constructive analysis of actual conditions, as he acquainted himself with them. Thus, he could grasp and sum up the main trend in the situation concerning the Army.

"The General Trend" tells us that by really becoming acquainted with and studying this Army, by really understanding this Army, and by really making a constructive analysis of this Army, we can produce fine works full of meaning.

Government To Declassify Military Technologies

OW1710082789 Beijing XINHUA in English
0812 GMT 17 Oct 89

[Text] Beijing, October 17 (XINHUA)—Some 2,300 military technologies which had been classified as "confidential" or even "top secret" by the Chinese Government will be made public later this month.

Most of these technologies are related to aircraft manufacturing and space and nuclear technology, according to Jin Zhude, an official from the Commission of Science, Technology and Industry for National Defense.

Speaking at a press conference on high technology here today, Jin said that some of these "secrets," the technical results of China's atom bomb, for example, have been kept in a safe for as long as 20 or even 30 years.

With declassification, these military technologies can be used for civilian production through normal technology transfer, according to the official.

This is the second time that the Chinese Government has declassified military technological information and made it available to the public.

Last year, China declassified 210 technologies in the national defense industry. Civilian applications have been found for ten percent of them.

Frontier Guards Commended for Meritorious Service

HK1810034389 Beijing RENMIN RIBAO in Chinese
13 Oct 89 p 4

[XINHUA Report by reporter Zhang Cailong (1728 2088 7893) and correspondent Deng Xinjian (6772 2450 1696): "Armed Police Border Area Units Commend the Advanced"]

[Text] Guangzhou (XINHUA)—The frontier guards of the Armed Police Force held a meeting on 10 October in Guangzhou to commend 21 advanced collectives and 10 progressive individuals who made outstanding contributions in the frontier defense struggle.

A large number of frontier guards of the Armed Police Force are stationed along the 40,000-kilometer border. This year, the officers and soldiers of the Armed Police Force units responsible for frontier defense overcame various difficulties and fulfilled their tasks under the extremely complicated domestic and international conditions. They go on patrol, lay in ambush, and stand guard at check points. They effectively deal blows to various criminal activities and remarkably fulfill the tasks assigned to them by the party and the people.

The officers and soldiers in the Hekou Border Station, which is subordinate to the Yunnan Provincial Frontier Defense General Brigade, bravely and resourcefully fought against criminals when they were on border patrol duty, they have arrested a total of 126 criminal and seized 22 pieces of firearms and a quantity of smuggled goods. This border station was collectively cited for meritorious service, second class. Zhang Youxi is a soldier in the Shenzhen Border Inspection Station, which is subordinate to the Guangdong Provincial Frontier Defense General Brigade. With his sharp eyes, he successfully discovered 156 lawless people of all types who carried counterfeit identity certificates bearing false photos, and three of the lawless people were serious criminals wanted by the public security organs. Zhang was cited for meritorious service, second class.

Some advanced units and progressive individuals being commended made outstanding contributions to reform, opening up, and economic construction. Gu Linfang, vice minister of public security, and other leaders attended the meeting and made speeches. Some officers and soldiers of the Armed Police Force stationed in Guangzhou attended the meeting too.

Economic & Agricultural

State Statistics Official Holds News Conference

Says Price Curb Goal Hard To Meet

OW2010132189 Beijing XINHUA in English
1241 GMT 20 Oct 89

[Text] Beijing, October 20 (XINHUA)—Despite having controlled rising inflation, China will still have difficulty achieving the goal set by the central government early this year to curb price hikes, a high-ranking official said here today.

In response to a question raised by XINHUA at a press conference, Zhang Zhongji, spokesman for the State Statistics bureau, said, "It looks like it is going to be hard to achieve the goal of lowering this year's price index significantly, compared with that of last year."

The main reason is that the retail price index grew 22 percent in the January-September period over same period last year, the spokesman explained, adding that the country's retail price index rose 18.5 percent last year.

However, he pointed out, in the first three quarters of this year, new price hikes accounted for only 10 percent of the total growth rate of the price index, compared with 16 percent during same period last year.

Statistics from the bureau show that fresh price hikes in the first nine months of this year made up only 7.6 percent of the national retail price index, contrasting sharply with that of same period last year.

The prices for non-staple foodstuffs stood at the level of those in December last year while the prices of color TV sets, refrigerators and other luxury goods have dropped.

The raising of the prices of publications and newspapers early this year have contributed to the price index rise, the official said.

Says Consumer Demand Shrinks

OW2010125689 Beijing XINHUA in English
1115 GMT 20 Oct 89

[Text] Beijing, October 20 (XINHUA)—In the first nine months of this year, consumer demand in China lessened sharply, resulting in a more moderate rate of growth in wages, bank lending and retail sales, Zhang Zhongji, spokesman for the State Statistics Bureau, said here today.

During the first nine months of this year, wages for Chinese workers totalled 178.4 billion yuan, a rise of 18.2 percent compared with same period last year, the spokesman said.

The growth rate for supplemental payments, such as bonuses, has dropped by 19.9 percent.

Spending by collectives came to 52.1 billion yuan, a moderate rise of 6.2 percent compared with same period last year.

With consumer demand under control, markets have remained stable, with good supplies of commodities.

In the first nine months of this year, the volume of retail sales was 607.3 billion yuan, a rise of 12.3 percent over same period last year.

Comments on Loans for Enterprises

OW2010125589 Beijing XINHUA in English
1129 GMT 20 Oct 89

[Text] Beijing, October 20 (XINHUA)—In the fourth quarter Chinese banks will grant credits and loans to large enterprises for purposes of expanding production to ensure steady economic growth this year, a government official said here today.

Zhang Zhongji, a spokesman for the State Statistics Bureau, said that this measure will relieve the fund shortage hindering the growth of industrial production throughout the country.

Industrial output in September grew by 0.9 percent. "That growth followed an excessive growth rate of 20 percent a year ago," Zhang explained.

If the growth rate for the past two years is averaged, it is still 10 percent, "not a low growth rate," he said.

Zhang blamed the drastic drop in the growth in industrial production in September on sluggish demand that hindered turnover and on a short supply of farm commodities such as cotton and other raw materials. These problems have affected normal production.

There are also some non-economic factors affecting production. Some factory directors, for instance, were hesitant in doing their duties. He said, China will continue to push forward the system in which directors bear responsibility for their enterprises and the contract responsibility system.

The spokesman admitted that the slow industrial growth will affect government revenue and employment. But on the other side, the situation forces enterprises to improve their management.

Cites Jan-Sep Economic Growth

OW2010125089 Beijing XINHUA in English
1107 GMT 20 Oct 89

[Text] Beijing, October 20 (XINHUA)—Although confronted with a difficult situation, China's economy continues to grow and GNP for the first three quarters of this year was 1,140.9 billion yuan, a five percent increase over the same period last year.

At a news conference here today, Zhang Zhongji, a State Statistics Bureau spokesman, said that by the end of

September national industrial output value was 961.7 billion yuan, an increase of 8.9 percent over the same period last year.

Of the total figure, he said, state-owned enterprises contributed 599.5 billion yuan, a 5.2 percent increase, collectively-owned enterprises contributed 321.3 billion yuan, a 12.5 percent increase, and rural township enterprises contributed 144.1 billion yuan, a 17.4 percent increase.

Analyzing economic development for the first three quarters this year, he said the product mix has improved to some extent.

The growth rate of the energy industry compared to that of industrial growth as a whole increased to a ratio of 0.78:1 from 0.25:1 for the same period last year.

September production of steel, nonferrous metals, raw materials for the chemical industry, fertilizer and cloth, all of which were decreasing at the beginning of the year, increased by three to 22 percent over the previous year.

But industrial output in September increased by only 0.9 percent over last year's figure. Light industry registered a slight decrease.

In view of the economic results in the first three quarters, Zhang said, China has made some "periodic" achievements in its rectification efforts. The trend of development is on the whole rational, he said.

However, he pointed out, China has to deal with the balance in supply and demand, a problem left over by the economic overheating of the past few years. "New problems have emerged as China deepens its economic rectification," Zhang added.

He said markets are weakening and the problem of large inventories of some goods is serious. Some industrial and commercial enterprises are having cash flow problems, and some enterprises have cut back production due to misgivings about the ongoing economic rectification and uncertainty over the policy of cleaning up the government.

These problems, he pointed out, are the result of contradictions which have accumulated over the past few years, and are unavoidable under the austerity program. They will continue to create pressure and difficulties in future economic work.

Zhang added that on the other hand, the situation has provided an opportunity to readjust the industrial structure and the structure of enterprises. It will also prompt enterprises to shift their attention from pursuing short-term gains to improving their management.

While continuing to control supply and demand, the spokesman suggested, enterprises at various levels should shift the central emphasis of their work to readjusting their economic structure, improving management, promoting technical advance and increasing efficiency.

Comments on Township Enterprises

OW2010140989 Beijing XINHUA in English
1326 GMT 20 Oct 89

[Text] Beijing, October 20 (XINHUA)—The total output value of China's rural enterprises was 144.1 billion yuan in the January-September period this year, 17.4 percent up over the same period of last year. This growth rate is much lower than that of last year, which was 26 percent.

Zhang Zhongji, spokesman for the State Statistics Bureau, said that this figure indicates a preliminary achievement in the state's effort to control the overheated township enterprise boom.

He said that some of these enterprises have been closed down or have shifted to making other products. Most of the closed enterprises were those that suffered from poor management, while having high production, energy and raw material costs.

He promised that the government would continue to support the development of township enterprises. He said that the readjustment will help the rationalization of the production structure of these enterprises, and thus make them more competitive.

The spokesman said that although some township enterprises have been closed down, or have shifted to other types of production, the overall economic benefit is not necessarily lower.

He cited Zhejiang Province as an example. There the number of township enterprises has been reduced but the total output value has increased.

With regard to the problem of the workers of those eliminated township enterprises, he said that they were originally engaged in agricultural activities in the busy season, and worked in the factories when there was not much farming work, so there is no unemployment problem for these people.

Reports Record Summer Harvest

OW2010091889 Beijing XINHUA in English
0820 GMT 20 Oct 89

[Text] Beijing, October 20 (XINHUA)—A State Statistics Bureau spokesman announced here today that China has gathered a record summer harvest which, plus early rice, amounted to 146 million metric tons of grain, an increase of 3.51 million tons over last year.

Spokesman Zhang Zhongji said that grain output for the whole year is expected to reach 400 million tons, a slight increase over last year. Zhang said that because the areas sown with autumn crops have been expanded, output in most of the major grain producing areas is expected to increase despite losses due to natural disasters in northeast and north China.

Zhang noted that by the end of this September, the state had purchased 4.95 million tons more grain than in the same period last year.

He said that the production of meat, vegetables, fruits and aquatic products has also been increasing.

Officials Say Inflation Under Control

OW2010011089 Beijing XINHUA in English
1609 GMT 19 Oct 89

[Text] Beijing, October 19 (XINHUA)—China's one-year nationwide austerity program has resulted in controlling inflation—the highest in the past 40 years—and a rapid drop in price hikes month by month.

Officials from the State Statistics Bureau and the State Administration of Commodity Prices said here today that the first three quarters of this year saw a fall of 14 percent in the growth rate of the retail price index.

An official from the administration told XINHUA that this trend appeared in April, with the price index up by 25.8 percent. It was 24.3 percent in May, 21.5 percent in June, 19 percent in July and 15.2 in August.

The situation is better in China's 35 large and medium-sized cities, with the retail price index growing by 9.7 percent in August, three percent less than the figure for the previous month, he added.

Except for grain, the prices of other commodities all dropped in September, compared with last year's same period. The prices of non-staple foodstuffs were down by 3.6 percent, vegetables by 4.4 percent, meat and eggs by 2.8 percent, fresh fruit by 5.1 percent, daily necessities by 3.8 percent and aquatic products by 3.6 percent.

The official said that vegetable prices have been relatively stable this autumn, only rising 0.3 percent over last year's corresponding period.

An official from the State Statistics Bureau analysed that there are three features of the changing prices of the market:

- There are few factors fuelling new price rises, which accounted for only 7.6 percent of the retail price index of the whole country between January and September and far less than the growth in last year's same period;
- there has been a big drop in the growth rate of the cost of living in urban areas, with the price index falling from 26.2 percent in January to eight percent in August;
- the prices of non-staple foodstuffs have been kept almost at the level of last December, while prices of high-grade consumer goods such as color TV sets and refrigerators have fallen to a certain extent.

The above facts prove that both the austerity program and the anti-inflation policy have been correct, thus helping the national economy improve.

However, some economists and observers hold that China will still have difficulties to achieve the goal set by the central government early this year to curb the price hikes at levels much lower than last year.

They noted that the main reason is that the retail price index is estimated to have grown by 23.1 percent in the January-September period over last year's same period.

According to the State Statistics Bureau, the inflation rate stood at 18.5 percent last year.

Specialists called on various departments and regions to continue their efforts in the battle against inflation and firmly carry out the nationwide austerity program.

Tian Jiyun Addresses Financial Inspection Meeting

OW1510062289 Beijing XINHUA Domestic Service
in Chinese 1341 gmt 14 Oct 89

["Local Broadcast News Service"]

[Text] Beijing, 14 Oct (XINHUA)—Vice Premier Tian Jiyun stressed today that the nationwide examination of matters related to taxation, accounting, and pricing must be carried on persistently and is never to be relaxed.

At a meeting attended by the whole members of the Taxation, Accounting, and Pricing Examination Group of the State Council today, Tian Jiyun said: We conducted six nationwide examinations from 1981 to 1988 and recovered a total of 53.2 billion yuan from violations. Of this amount, some 32.6 billion yuan has already been turned over to the state. These figures indicate that the examinations held over the years were very successful and produced considerable contributions in terms of enriching the national coffers and balancing the budget. The examinations also played an important role in stabilizing the economy and commodity prices, promoting reforms and construction, and rectifying unhealthy social trends. At the same time, these examinations had an intimidating influence, for they effectively prevented some people from violating the law and discipline.

Tian added: Recently the CPC Central Committee and the State Council decided to devote approximately 3 years toward guiding the work of improving the economic environment and rectifying the economic order onto a successful track in order to ease the contradictions between total social demand and supply, gradually bring down inflation, reduce financial deficits, establish a macroeconomic control system, and, eventually, make it possible for the economy to develop in a stable and coordinated way. An in-depth inspection of taxation, accounting, and pricing is one of the important means of attaining stable and coordinated economic development. It is necessary for us to investigate and severely punish any violations of law and discipline, and to tighten financial and economic discipline while conducting an examination in order to create favorable conditions for the work on improving the economic environment.

rectifying the economic order, and deepening reforms. Therefore, during the period of improving the economic environment and rectifying the economic order, we must not only conduct a nationwide inspection of taxation, accounting, and pricing, but we must also ensure its success. We must make sure that the inspection will only be strengthened, not weakened, during the time to come.

The examination group under the State Council consists of 137 people this year, 26 of whom are cadres at the ministerial level and 34 at the bureau director level. Comrades of the National People's Congress, the Chinese People's Political Consultative Conference, and democratic parties were also invited to participate in the group's work.

State Prepares To Repay Foreign Debts

HK1010030389 Beijing ZHONGGUO XINWEN SHE
in Chinese 0345 GMT 5 Oct 89

[Report: "China Has Made Detailed Preparations for Repaying Foreign Debts on Time"]

[Text] Beijing, 5 Oct (ZHONGGUO XINWEN SHE)—Director of the State Administration of Exchange Control, Tang Gengyao, said at a symposium on China-foreign Economic Cooperation that since the turmoil, which lasted from April to June 1989 in Beijing, the relevant Chinese Government departments have made detailed preparations for repaying foreign debts on time in order to safeguard prestige in the world.

Generally speaking, there is no question of overdue payments, whether in the case of unified borrowing and repayment of debts by the state, unified borrowing and separate repayment of debts, or separate borrowing and repayments of debts.

Tang Gengyao assessed China's debt situation by saying: Currently, the situation regarding China's borrowing, use, and repayment of debts is good, and the scale of debts has been controlled within China's capability to withstand the strain.

Until the end of June 1989 China's debt repayment rate was 18 percent. The debt structure is maintained in a reasonable state. Of the balance of the nation's foreign debts, medium-term and long-term foreign debts account for 84.2 percent and short-term, 15.8 percent.

Tang Gengyao said: A foreign exchange regulatory market of a certain scale has been formed in China. In 1988 the nation's volume of foreign exchange transactions through adjustment of shortages and surpluses amounted to \$6.26 billion, accounting for one-third of the total amount of foreign exchange retained by enterprises and local governments. Of this, foreign enterprises sold \$662 million and bought \$220 million.

In 1988, Shanghai City opened the first open foreign exchange regulatory market in China. This market put specific foreign exchange in specific places, carried out

transactions through open bids, further embodied the principle of competition on an equal basis in an open manner and through the market, and enhanced the transparency of foreign exchange trade. This has been well received by financial circles at home and abroad.

Tang Gengyao said: The renminbi has two exchange rates against a foreign currency because we are in a stage in which the old economic structure is being replaced by the new, and the price structure in the country is still irrational. He revealed that the coexistence of two exchange rates was transitional. Following the deepening of economic structure and price structure reform, the difference between the official and market exchange rates will gradually narrow until finally there will be only one exchange rate.

Overseas Chinese Provide Most Foreign Capital

HK0510035589 Beijing ZHONGGUO XINWEN SHE
in Chinese 1115 GMT 29 Sep 89

[Report by Zhao Jian (6392 0256): "Investments From Overseas Chinese, Hong Kong, Macao, and Taiwan Compatriots, and Foreign Nationals of Chinese Origin Account for 70 Percent of Foreign Capital Introduced Into China"—ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 29 Sep (ZHONGGUO XINWEN SHE)—Of the \$30.7 billion in foreign capital introduced into China, 70 percent comes from Overseas Chinese, Hong Kong, Macao, and Taiwan compatriots, and foreign nationals of Chinese origin. Without this support, it would be very difficult for China to open channels to the outside world. He Chunlin, deputy secretary general of the State Council, deputy head of the Leading Group for Foreign Investment Work of the State Council, and director of the Special Economic Zones Office of the State Council, held a forum this morning with 63 representatives of foreign enterprises from 9 countries and regions.

He Chunlin said: Overseas Chinese, Hong Kong, Macao, and Taiwan compatriots, and foreign nationals of Chinese origin are the pioneers in investing in Mainland China and act as "matchmakers" for economic and trade links between China and foreign countries.

He Chunlin gave detailed explanations to the views raised by these visitors concerning the investment environment.

On behalf of Vice Premier Tian Jiyun, He Chunlin expressed welcome and regards to the entrepreneurs present at the forum and hoped that Overseas Chinese and Hong Kong, Macao, and Taiwan compatriots would continue to carry forward their enthusiasm for loving the nation and their homeland and invest in China.

Lin Shuilong, deputy director of the Overseas Chinese Affairs Office of the State Council, chaired today's forum. He said: Overseas Chinese, Hong Kong, Macao, and Taiwan compatriots, and foreign nationals of Chinese origin have encountered this or that difficulty in

their investments in Mainland China, but they can, on the basis of mutual aid and benefit, jointly overcome the difficulties in their way ahead. Thus, over the past 10 years, there has been a rapid growth in their investments. Some enterprises have achieved significant economic benefits, developing from a single enterprise into more than 10 enterprises; and some have made great achievements in introducing new technology and developing new products. So long as we make concerted efforts, the future of investments in China is bright.

Scholars Analyze Economic Cycles

OW2010133489 Beijing XINHUA in English 0925
GMT 20 Oct 89

["Scholars on the Chinese Economy: Last of a Four-Part Economic Series—Analysis of Economic Cycles"—XINHUA headline]

[Text] Beijing, October 20 (XINHUA)—China is currently in the midst of its seventh economic cycle since 1950.

These economic cycles are the topic of a newly-completed "Report of preliminary research on sustained, stable, and coordinated development of the national economy" by scholars from the National Economic Systems Analysis Group of the Chinese Academy of Sciences

According to the report, China's economy operates on a 6-year cycle. Although still abrupt, fluctuations have become less sharp in recent years.

In 1987, China entered its seventh economic cycle, and is now in the expansionary stage of the cycle. If no great economic dislocations take place, the expansionary stage is likely to last until the first half of 1990. The seventh cycle is expected to last until 1992.

The scholars believe that the national economy was able to maintain a high growth rate this year because of the momentum of the expansionary stage of the seventh economic cycle.

The economic retrenchment policy will affect economic growth, shortening the expansionary period. The seventh economic cycle, which economists had expected to continue until 1992, is now expected to end in 1991.

The scholars say it is necessary to adopt an anticyclical policy, to lessen the negative effects of the fluctuation and maintain steady growth.

They pointed out that since China began its economic reform in 1978, the operational mechanism of the national economy has changed greatly, market-oriented forces increased, and economic growth become more natural.

According to the scholars, the wide fluctuation of China's economy is due to the large population, high levels of grain consumption, and the comparative

shortage of agricultural resources. As feeding the population is the first and foremost task for the government and economic growth rate is secondary, China's economic development is destined to continue advancing in cycles, fluctuating between expansion and contraction.

The scholars said that although the government has devolved more power to local authorities, its administrative policymaking still has a great deal of influence over the economy.

Exports Show Recovery in September

HK1410014889 Beijing CHINA DAILY in English
14 Oct 89 p 2

[By staff reporter Yuan Zhou]

[Text] China's exports are up 10.5 per cent this year over the first nine months of last year, while imports have increased by 17.7 per cent over the same period of 1988.

However, exports are up in September over last year's figure and imports are down.

The Chinese General Administration of Customs yesterday reported an 14.3 per cent increase in the total volume of the national import and export hitting \$78.95 billion for the first three quarters of this year.

The nation exported \$36.2 billion worth of goods and imported \$42.7 billion, according to the customs statistics.

The \$6.5 billion trade deficit in the first three quarters was almost twice that of the same period last year.

But if donations, aid, investment by foreign joint ventures, supplies for assembly industries and other non-trade goods were excluded from the figure, the Chinese trade deficit stood at \$3.9 billion in the January-September period, \$50 million less than in the first half of the year.

In September alone, the nation exported goods worth \$4.76 billion, 18.9 per cent more than September 1988. Imports dropped by 10.78 per cent to \$4.4 billion.

This was the first time for the customs office to record a favourable trade balance on a monthly basis this year with a drop in imports.

Experts believe that the latest improvements in foreign trade have helped to narrow the gap between the nation's import and export and growth rates.

The growth rate of exports in July equalled that of imports and in August, exports outpaced imports by a great margin.

Also according to the customs report, Hong Kong and Macao, Japan, the United States, EEC countries, Asean countries, the Soviet Union, Australia, Canada and Czechoslovakia were the country's major trading partners in the first nine months.

The mainland registered a trade deficit of \$6.77 billion in trade with Hong Kong and Macao, exporting goods worth \$35.26 billion and importing \$42.04 billion.

China exported goods worth \$3 billion to and imported \$5.4 billion from the United States, 28.9 per cent and 25.84 per cent more than the January-September period last year.

The value of imports from the Soviet Union, totalling \$1.49 billion was 46.1 per cent higher than the previous nine-month period. China exported goods worth \$1.2 billion to the Soviet Union in the same time.

There were big increases in the export of pork, edible plant oil, tungsten ore, glass, sewing machines, TV sets, bicycles, watches and other Chinese farm and light industrial goods.

Export of rice, cotton, copper, aluminium fell by a great margin.

In the first nine months, China increased its import of polyester fibres, crude oil, steel, commercial refrigerators, air conditioners, TV sets, VCRs and audio equipment.

Exports Exceed Imports in September

*OW1310090989 Beijing XINHUA in English
0723 GMT 13 Oct 89*

[Text] Beijing, October 13 (XINHUA)—The latest customs report for September shows that China recorded its first favorable trade balance on a monthly basis this year with a drop in imports.

Exports in September exceeded imports by 345 million U.S. dollars with exports rising 18.9 percent over the same period in 1988 and imports registering a 10.8 percent decrease.

According to the General Administration of Customs, the combined figure for imports and exports for the month increased 2.5 percent to hit 9.19 billion U.S. dollars, 4.77 billion U.S. dollars in exports and 4.42 billion U.S. dollars in imports.

For September alone, there was an actual surplus of 550 million U.S. dollars with exports at 3.89 billion U.S. dollars and imports at 3.34 billion U.S. dollars, if goods that did not involve foreign exchange payment are deducted from the figure.

The country's foreign trade imbalance began to improve in the second half of this year. The growth rate of exports in July equaled that of imports. In August exports outpaced imports by a big margin.

The improvement also helped close the gap between import and export growth rates. Imports in the January-September period grew 17.7 percent while exports increased by 10.1 percent. The 7.1-percent gap is far below that for the first half of this year, when imports outgrew exports by 20.3 percent.

China's total of imports and exports in the first nine months increased 14.3 percent compared with the same period in 1988 to hit 78.96 billion U.S. dollars, including 36.22 billion U.S. dollars for exports and 42.74 billion U.S. dollars for imports.

Although China's foreign trade remained in imbalance, the actual deficit for the first nine months was 3.9 billion U.S. dollars, 50 million U.S. dollars less than in the first half, if aid, donations, investment by foreign-funded ventures, supplies for assembly industries and other non-trade goods are excluded from the figure.

Foreigners Forbidden To Buy Goods For Export

*OW0910140389 Beijing XINHUA in English
1240 GMT 9 Oct 89*

[Text] Beijing, October 9 (XINHUA)—Foreigners are forbidden to buy goods in China for export, the Ministry of Foreign Economic and Trade Relations (MFERT) has announced.

An official says a number of foreign businessmen illegally exchange foreign exchange for renminbi. They use the money to buy officially controlled goods which they export through customs with the help of some Chinese working in foreign trade companies.

The practice violates laws and regulations governing foreign exchange and exports and affects the normal supply of export goods. MFERT will take following measures to check it:—Foreigners (including businessmen from Hong Kong and Macao and Sino-foreign funded businesses abroad) are forbidden to buy goods on the Chinese Mainland, and work units and individuals are forbidden to buy and supply export goods for foreigners.—Work units and individuals are forbidden to buy and resell rationed export quotas and export permits to foreigners and to export goods for them through customs.—Foreign-funded businesses that have applied to buy Chinese-made products will be treated according to MFERT regulations.

The official says all economic and trade relations will be cut with foreign businessmen who violate the rules. Chinese work units and individuals will be disciplined or prosecuted.

Exports, Trade Surpluses Show Increase

*HK1910130389 Beijing RENMIN RIBAO in Chinese
14 Oct 89 p 2*

[Dispatch by reporter Lu Zhenhua (7120 2182 5478): "China's Export Trade Increases Steadily"]

[Text] Beijing, 13 Oct—Our country's continuing implementation of the opening-up policy is welcomed by both new and old overseas business partners. In a recent period, our import and export transactions in the international market were rather active, and our country maintained a surplus in foreign trade. The state's foreign

exchange reserves increased as compared with the same period of last year and with the first few months of this year.

Liu Xiangdong, the spokesman for the Ministry of Foreign Economic Relations and Trade, recently said that according to his ministry's statistics, after exports declined in June, foreign trade in the whole country steadily grew after July. The volume of exports increased in 3 consecutive months of July, August, and September. In July, the volume of exports increased by 9.4 percent; in August, exports further increased. By the end of September, the volume of imports and exports in the whole nation exceeded \$57.9 billion, and the volume of exports amounted to \$31.245 billion, marking an increase of 4.1 percent over the same period of last year. The import of luxurious consumer goods in the whole country was brought under control. The condition of foreign exchange balance was good.

This spokesman said: Developing foreign trade is an important integral part of our country's opening-up policy. In the last few months, governments at various levels took steps to rectify the order in foreign trade, organize more goods for export, and also gave priority to satisfying the needs for funds for purchasing export goods, raw materials for export production, and transport facilities for export materials. Many provinces and municipalities did their best to arrange the goods for export while taking the needs of domestic markets into account. Liaoning, Jilin, Heilongjiang, Nei Mongol, Fujian, Hainan, Sichuan, Yunnan, Qinghai, Xinjiang, and some open coastal cities all substantially increased their export volumes.

Liu Xiangdong said: The development of foreign trade benefited both China and the foreign trade partners, so most countries in the world and many foreign businessmen are willing to cooperate with us. Recently, foreign businessmen have successively indicated that they would cherish the established cooperative and friendly relations with us and would continue to develop trade and economic cooperation with us. In addition, we have also found some new trade partners and have expanded our overseas markets. He said that through the efforts of the past 40 years, our country has laid a solid foundation and a certain degree of adaptability in foreign trade. A small number of countries' attempt to isolate China will just be futile.

Machinery, Electronics Industries Increase Exports

*OW1110174789 Beijing XINHUA in English
1522 GMT 11 Oct 89*

[Text] Beijing, October 11 (XINHUA)—China's exports of machinery and electronic products are today earning nine times as much as they were a decade ago.

Statistics from the Ministry of Machine-Building and Electronics Industries show that in 1988 they brought 6.2 billion U.S. dollars.

In the first eight months this year some major import and export businesses under the ministry's control exported products worth 1.165 billion U.S. dollars, a 20.56 percent rise on the figure for the same period last year.

In the past decade, China has set up 275 export bases for machinery and electronic products. More than 900 enterprises have enjoyed greater freedom in foreign trade. An export network, with seven industrial and trading businesses as the backbone, has thus come into being.

China's exports of machinery and electronics have, in fact, developed faster than general exports.

Recent years have seen a remarkable change in their export structure. While labor-intensive products comprise the smaller proportion of exports, some technology-intensive products, such as complete sets of machines and electronic equipment, make up the more important part.

At present, the main products exported include machine tools, power generating sets, mining apparatus, automobiles and spare parts, bearings, boats and ships, computers, TV sets, audio tape-recorders, electronic components, and raw materials.

Buying and selling are now accompanied by joint ventures in production management and the introduction of foreign funds.

At the end of 1988, China's machinery and electronics industries had 476 joint-venture businesses, and seven foreign-funded businesses, total investment amounting to 1.2 billion U.S. dollars.

Progress Cited in Import Inspection System

*OW1210050589 Beijing XINHUA in English
0143 GMT 12 Oct 89*

[Text] Beijing, October 12 (XINHUA)—China's system of inspecting the quality of imported goods has made remarkable progress in the past 10 years, with claims against exporters averaging about 100 million U.S. dollars a year, the latest issue of the "CHINA CONSUMERS NEWS" reports.

Since the first regulations on the inspection of imported and exported goods were promulgated by the State Council in 1984, a number of other inspection regulations and procedures have been introduced for imported goods.

Between 1980 and 1988, it says, departments inspected more than 456,000 shipments of goods worth 223.5 billion yuan and found 12.92 percent of them inferior. China has claimed 100 million U.S. dollars damages a year in that time.

In the first half of this year, 61,769 shipments of imports worth more than 13 billion U.S. dollars were inspected

and 11.8 percent of them were found to be inferior. The sub-standard rate was much lower than that in the same period last year.

Foreign Cooperation Aids Offshore Oil Development

OW2010152589 Beijing XINHUA in English
1254 GMT 20 Oct 89

[Text] Beijing, October 20 (XINHUA)—The China National Offshore Oil Corporation has signed with foreign oil companies nine contracts and agreements in developing offshore oil since the beginning of this year.

The foreign partners include BP Petroleum Development Ltd. of Britain, Fugro-McClelland Ltd. of Hong Kong, Esso China Ltd., Shell exploration Ltd., Occidental Oil Exploration Ltd., and the Amoco orient Petroleum Co.

An official from the China National Offshore Oil Corporation told XINHUA that his corporation has signed more contracts and agreements this year than in any previous year because of the attractiveness of the preferential treatment it is offering foreign companies.

Agreements can be reached first on geophysical exploration or well drilling, and contracts can be signed depending on the preliminary results of this work in order to reduce the risks for foreign investors.

Government Moves To Aid Key Plants

OW1210103389 Beijing XINHUA in English
0656 GMT 12 Oct 89

[Text] Beijing, October 12 (XINHUA)—The Chinese Government is taking steps to strengthen the distribution of production materials in order to guarantee the smooth development of key plants, according to today's "CHINA DAILY".

A joint circular released recently by the Ministry of Materials and Equipment, the State Planning Commission, the Ministry of Metallurgical Industry and the State Statistics Bureau orders all departments and enterprises involved in materials production and distribution to adhere strictly to the state's mandatory planning.

Xie Mingan, chief of the Policy Research Bureau under the Ministry of Materials and Equipment, said that materials producing firms have fallen short in meeting their contractual obligations to state industries in the first half of the year.

The circular says goods ordered by state industries must be delivered without delay and that materials in arrears for the first half of the year should be made up during the second half.

Xie blamed the shortfall in state-contracted deliveries on several factors, including enterprises selling more materials on the free market for bigger profits, imperfections in state planning, and extremely strained transportation facilities.

He said that supply of materials to collectively-run enterprises, township enterprises and private enterprises will not be ensured by the state, and the supply to medium and small-sized enterprises which are badly run will be restricted.

Distribution channels will be overhauled, redundant "middlemen" removed, illegal dealers and corrupt officials disciplined. All materials markets and trade centers will be screened, Xie said.

Article Views Funds Shortage; Offers Solutions

HK1310010889 Beijing CHINA DAILY in English
13 Oct 89 p 4

[By Chen Xiao]

[Text] When a shortage of funds has been vexing nearly all Chinese enterprises, economists are telling them where the money has gone, and how to cope with the difficulty.

They maintain that industrial structure must be readjusted. Therefore, the limited investments can be diverted to competitive enterprises and basic industries can share better conditions for developing.

However, before a marked effect is produced by the readjustment, enterprises should exploit their own potential to get more funds instead of relying on banks.

By the end of the first quarter of this year, the central bank had granted billions of yuan in credits to industry, however, the dearth of capital has not been reversed, because enterprises have drained too much of the funds. Their loans have not been repaid by the due date, meanwhile, the cries for more investment are getting louder. The situation needs to improve, otherwise, the enforcement of the austerity policy will be hindered.

Recently, the Beijing-based Financial News organized a discussion on the cause of the present shortage of money and feasible solutions. It has aroused heated reaction in society.

Most economists pointed out that it is senseless to attribute the problem to the austerity policy. A chief accountant of China Industrial and Commercial Bank Shenyang Branch said about 3.26 billion yuan (\$871 million) had been invested in the city's industry in 1988, up 24.4 per cent compared with 1987. And the branch has extended 800 million yuan credits (\$214 million) during the first half of this year. Even in Qinghai, an underdeveloped northwestern province, the financial department has advanced 136 million yuan loans (\$36.4 million) as credit lines in the first six months and 98 per cent has been allocated to large and middle-size enterprises.

Reasons

Economists air their opinions on the contributing factors on the shortage of funds.

Poor transportation has created more stockpiles, resulting in the situation that money could not be put back into circulation quickly enough. That is, too much money is tied up in warehouses simply due to the fact that transportation alone has prevented it from being moved. Seventeen enterprises in Shenyang have had to stockpile 130 million yuan (\$35 million) worth of products during the first five months of this year, 77 per cent of the increased stockpiles were caused by inadequate transportation.

The prices of raw materials have been skyrocketing, actually devaluing funds. Since 1984, when the prices of industrial materials began to rise, the enterprises in Shenyang have spent over 100 million yuan on the increased prices of materials.

Some enterprises have also cornered too many raw materials for retaining the value of their money and reducing costs of production. On one hand, the shortage of raw materials has become more serious; on the other hand, limited funds have lain idle, slowing down capital turnover.

Circulating funds have been diverted to other purposes illegally. The statistics provided in 17 large enterprises in Shenyang show that they have occupied more than 189 million yuan (\$50.5 million), about 10.4 per cent of the total investments by the end of 1988, which should have been invested in circulation.

Another serious cause is that most enterprises are in arrears with payments to others while they cannot recover debts from others in time. Thus, a vicious circle has emerged.

The root cause of the shortage is that the industrial structure is rather irrational, said an economist who also contributed an article to the discussion.

The existing structure has jumbled up each enterprise. He said investments would flow into those enterprises producing very poor performance through various channels, even if all funds are invested in large and middle-size manufacturers.

Overflowing small-size factories and those with low economic benefits squeeze themselves into the limited supply of advanced equipment, capital, raw materials, energy and transportation. They are competing with large enterprises.

Another expression of the imbalance structure is that enterprises are scattered and on too small a scale, with insufficient coordination between them.

Besides, the development of basic industry has been ignored. As a result, for instance, railway transportation is very poor.

Therefore, it is necessary for the government to speed up the readjustment of the industry structure, said most of the economists who joined the discussion. Those many

small and uncompetitive factories must be eliminated and more investment should be diverted to basic industry.

However, the readjustment may take a long time to run. In the near future, the experts agreed that enterprises should tap their own latent power to get more funds. The manufacturers in Dalian City of Liaoning Province has become aware of the benefits. [sentence as received]

An investigation conducted by the municipality showed that the shortage of funds for subsidizing enterprises would reach at least 2.5 billion yuan (\$668 million), however, the specialized banks can only provide a loan of 1.5 billion yuan (\$401 million aprox.)

After investigating 200 key enterprises, the municipality adopted to clear up the chain of debt between factories and set up a fair to redistribute the stockpiles of products. In a few months, the loophole of the shortage of funds has been plugged.

In a summary of the one-month-long discussions, the Financial News is looking forward to more and deeper solutions to this phenomenon in society.

Loans to Enterprises Increase To Boost Commerce

HK1210012089 Beijing CHINA DAILY in English
12 Oct 89 p 2

[By staff reporter Zhang Yuan]

[Text] Loans to the country's industrial and commercial enterprises will increase sharply in this year's fourth quarter over the same period of last year in order to give a powerful push to the development of the national economy, a bank official told CHINA DAILY yesterday.

The total loans granted to the enterprises will at least surpass 30 billion yuan (\$8.06 billion), said Xie Yuhui, vice director of the planning department of the Industrial and Commercial Bank of China, the country's biggest specialized bank.

The move is to support commercial enterprises to buy agricultural and non-staple products from farmers, large- and medium-sized state industrial enterprises for raw material storage, production of daily-use industrial necessities, production of export-oriented enterprises and technical innovation of state key construction projects, Xie said.

Generally speaking, the bank has been carrying out the country's belt-tightening financial policy in order to cool down the over-heated economy and has achieved significant results in controlling the granting of loans this year, Xie said.

For instance, in the first nine months of this year, total loans granted by the bank to the country's industrial and commercial enterprises were 27.5 billion yuan (\$7.39 billion) while the figure at the same period last year topped 41 billion yuan (\$11 billion), he said.

About 80 percent of the newly increased loans, accounting for 25.5 billion yuan (\$6.85 billion), went to large- and medium-sized state enterprises—mainstay of the national economy.

The bank raised 5.46 billion yuan (\$1.47 billion) for commercial departments for the purchase of agricultural and non-staple products from farmers.

This amount of money helped commercial departments to buy, on time, 4.27 billion kilograms of grain and 279 million kilograms of oil-bearing crop seeds from farmers, Xie said.

By the end of last month, the bank's total savings deposits by urban residents reached 220.684 billion yuan (\$59.324 billion), an increase of 39.9 billion yuan (\$10.7 billion) over that at the beginning of this year.

This has far surpassed this year's planned increase figure of 23 billion yuan (\$6.18 billion) and last year's total increase of 25.7 billion yuan (\$6.9 billion), Xie said.

Commercial Bureau Directors Discuss Future Work

OW2010141889 Beijing XINHUA Domestic Service
in Chinese 1306 GMT 17 Oct 89

["Local Broadcast News Service"]

[Text] Tianjin, 17 Oct (XINHUA)—A forum of directors of first commercial bureaus from 10 major cities in the country concluded yesterday in Tianjin. At the forum, the bureau directors made a forecast of the market situation in this winter and next spring. They believed that the market of industrial products in this winter and next spring would change from a slump to a stable condition, but even with the trend toward a stable market condition, there would still be some difficulties to overcome. Under such circumstances, they said, the main task of state-owned commercial units is to stabilize the market by ensuring the supply of the main and key commodities vital to our national economy and the people's everyday life, while paying attention to invigorating the market by actively promoting the buying and selling of industrial products in general. To meet this requirement, they added, it is imperative to adhere to the socialist direction of operations, uphold the purpose of serving the people wholeheartedly, and whip up a high tide in sales during this winter and next spring, which are usually the busy season for the market.

Audit Administration Begins Nationwide Drive

HK2010014389 Beijing CHINA DAILY in English
20 Oct 89 p 1

[By staff reporter Li Hong]

[Text] The State Auditing Administration—credited with recovering 9.1 billion yuan in misused funds over the past six years—is mobilizing its 3,000 local departments in a new nationwide drive to ensure the success of the current campaign against economic malpractices.

The administration is playing a key role in the country's target of improving the economic environment and rectifying economic order within two years, CHINA DAILY was told.

Since the administration was set up in September 1983, its main function of scrutinizing economic practices has become more and more important.

During the past six years, more than 650,000 work units have been audited with a total sum of 59.2 billion yuan found to have been improperly used.

And starting from next year, regular auditing and supervision will be conducted on the state's education funds.

"To accompany the present overhaul in straightening out economic irregularities and malpractices, auditing departments will join with other departments to focus their attention on five specific areas," Auditor-general Lu Peijian said in a recent meeting.

Firstly, auditing departments will continue to check and verify projects postponed or suspended by the state to ensure investment in fixed assets in these projects has been halted.

Secondly, auditing of corporations will be stepped up as central government has pointed out the previous clean-up of corporations falls far short of expectations.

In August, the State Auditing Administration decided to penalize five large corporations to the tune of 51.33 million yuan because of the illegal profits they had made.

Thirdly, the auditing organizations will embark on the supervision of institutional spending, which is becoming a growing problem.

The malpractices of enlarging consumption by means of falsely reporting enterprises' profits and losses, cost-cutting and diverting production development funds will be rectified, according to Lu.

Fourthly, auditing of specified funds to develop agriculture and help outlying poverty-stricken areas will continue.

Lastly, auditing departments will continue to check state-owned financial and monetary institutions.

According to the auditor-general, in the future China's fledgling auditing procedures will have to become standardized.

So far, China's more than 780,000 administrative departments, including 82 ministries and the State Council's affiliated organizations, have been regularly audited.

"The practice has greatly helped austerity within governmental organizations," Lu said.

Inspection Groups Address Corruption Cases

CW2010025189 Beijing XINHUA in English
1638 GMT 19 Oct 89

[Text] Beijing, October 19 (XINHUA)—Starting tomorrow, 13 inspection groups will be sent to help investigate and handle major corruption cases in the companies under the 12 central government departments and five other large companies.

Secretary-General of the State Council Luo Gan made this announcement today at a meeting attended by leaders of 110 units and general companies under central government departments.

Luo disclosed that among the five large companies are the China Kanghua Development Corp., China International Trust and Investment Corp. (CITIC) and Everbright Industrial Company.

Addressing the meeting, he noted that it is still a hard task for the central government departments to investigate and handle major corruption cases in their subordinate companies.

Although some success has been achieved in investigating and handling major corruption cases, substantial progress has not been made, Luo said, adding that there is still resistance and obstacles.

After pointing out the problems in the departments' anti-corruption struggle, he asked all central government departments to take the lead in cleaning up their companies.

Moreover, the secretary-general urged those in the central government departments who have been involved in economic crimes to surrender to judicial departments as soon as possible in order to secure leniency.

According to Luo, the 13 inspection groups, composed of 126 members, will be overseen by the Ministry of Supervision, the Auditing Administration and the State Administration for Industry and Commerce.

In addition, he said, 24 delegates to the National People's Congress and some committee members of the Chinese People's Political Consultative Conference and members of non-communist parties will join the groups.

Coal Terminal Completed at Qinhuangdao Port

OW1310002589 Beijing XINHUA in English
1255 GMT 12 Oct 89

[Text] Beijing, October 12 (XINHUA)—Construction of the third-phase project of the coal terminal at Qinhuangdao Port, which involves three coal docks, was completed recently in eastern China's Hebei Province, the Ministry of Communications announced here today.

This makes Qinhuangdao Port one of the world's largest coal terminals with the most advanced loading and unloading facilities.

The docks, which have a combined handling capacity of 30 million tons per year, will officially go into operation before the end of the year. They are equipped with state-of-the-art equipment imported from the United States and the Federal Republic of Germany.

A priority project of the Five-Year State Plan (1986-1990), the Qinhuangdao coal terminal was built in compliance with the Datong-Qinhuangdao electrified railways. Construction began in 1984.

The operation of the three docks will increase the annual handling capacity of the port to 60 million tons and will help ease the shortage of coal in northern, eastern and southern China.

Qinhuangdao port is now China's largest coal terminal, with 16 berths.

Collective Industrial Enterprises Develop Rapidly

HK1210061589 Beijing RENMIN RIBAO in Chinese
9 Oct 89 p 1

[Report: "China's Industry Under Collective Ownership Is Flourishing"]

[Text] Over the last 40 years since the founding of the PRC, a fundamental change has taken place in China's handicraft industrial production through socialist transformation from individual ownership into collective ownership. In 1988 the output value of industries under collective ownership throughout the country amounted to 392.15 billion yuan (calculated according to 1980 fixed prices), more than 100 times the gross handicraft industrial output value of 3.2 billion yuan in 1949, and more than 4 times the gross output value of 81.44 billion yuan in 1978 (calculated according to 1970 fixed prices).

As reported, in 1988 there were 18.5 million staff members and workers in township collective industries throughout the country, with the annual per capita output value of 12,400 yuan. Since reform and opening up were introduced, collective industries have developed quickly through self-accumulation. In 1988 the fixed assets of light industrial enterprises throughout the country amounted to 35.26 billion yuan, 3.93 times their fixed assets value in 1978, which stood at 8.97 billion yuan. In 1988 light industrial enterprises under collective ownership made a foreign exchange income of \$5.738 billion through exports, accounting for 71.64 percent of the total foreign exchange earnings of the light industrial department, and 14 percent of the country's total foreign trade volume.

Enterprise Groups Force Behind Light Industry

OW1710044889 Beijing XINHUA in English
0200 GMT 17 Oct 89

[Text] Shanghai, October 17 (XINHUA)—China's 166 light industrial enterprise groups have become the main force in consumer goods production and leading exporters, according to the Ministry of Light Industry.

The enterprise groups mainly cover domestic appliances, bicycles, food, fine chemicals, clocks and watches and paper-making. Most of the enterprise groups are located in the coastal areas and central China, including 33 in Shandong Province, 19 in Guangdong Province and 17 in Shanghai City.

Though the enterprises belonging to those groups account for only 0.23 percent of the total number of light industrial enterprises in China, their industrial output value amounted to 25 billion yuan in 1988, 15 percent of the total. Sales of seven groups, including the Guangzhou Wanbao refrigerator group, the Shanghai Phoenix bicycle group and the Forever bicycle group, have surpassed 500 million yuan (about 135 million U.S. dollars) each, while exports of 18 groups, including the Jiangsu Jinshi (Gold Lion) bicycle group and the Shandong porcelain group, have exceeded 10 million U.S. dollars each.

Enterprise groups are playing an increasingly important role in light industry. For example, 22 of the 35 enterprise groups making domestic appliances produced an output value of 7.215 billion yuan last year, 50 percent of that of the total of China's domestic appliance manufacturers; and combined exports of 17 groups reached 200 million U.S. dollars, 69 percent of the total.

The Guangzhou Wanbao refrigerator group produced one million refrigerators last year, one seventh of China's total, yielded an industrial output value of 2.3 billion yuan, and profits and taxes of 400 million yuan. Its exports were worth 120 million yuan in the same period.

With the organization of enterprise groups, the Shanghai-based Phoenix and Forever bicycle groups have helped improve product quality and management of bicycle factories in many provinces.

This phenomenon has also promoted the rational layout of production centers and optimized the industrial structure. The Yantai Polaris clock and watch group in Shandong Province has expanded its assembly capacity, developed and consolidated 50 auxiliary enterprises, and opened 500 sales agencies in 100 cities, despite fierce competition.

The ministry plans to organize new enterprise groups among porcelain, carpet, toy and shoe manufacturers and traders in the near future.

Largest Titanium Mine Begins Production in Yunnan

*OW1910020789 Beijing XINHUA in English
0653 GMT 18 Oct 89*

[Text] Beijing, October 18 (XINHUA)—China's largest titanium mine has started production in southwest China's Yunnan Province.

Titanium reserves in Yunnan, known as the kingdom of metals, are the largest in the country. The reserves discovered around Kunming, the provincial capital, amount to 22 million tons.

A local official says the mine, with its modern equipment, has an annual production capacity of 40,000 tons of titanium concentrates and will help to reduce China's imports from abroad.

Titanium is vital to spaceflight and navigation.

Largest Chromite Deposit Found in Tibet

*OW1910150689 Beijing XINHUA in English
1442 GMT 19 Oct 89*

[Text] Lhasa, October 19 (XINHUA)—The chromite deposit in southwest China's Tibet Autonomous Region is about 6.4 million tons and ranks first in the country, according to statistics from the region.

Experts say that the chromite is of high grade.

In the past few years, Tibet has produced 400,000 tons of chromite worth more than 90 million yuan (about 24 million U.S. dollars).

Second Survey of Coastal Islands Planned

*OW1710045289 Beijing XINHUA in English
0215 GMT 17 Oct 89*

[Text] Dalian, October 17 (XINHUA)—China is planning a comprehensive survey of natural resources of all islands off its eastern coasts starting next year.

The survey, due for completion at the end of 1993, will involve more than 1,500 experts and technicians and will cost 80 million yuan (21.62 million U.S. dollars). It will be the second such survey. The first was completed in 1986.

Five projects will be undertaken. They will be the compilation of a report on natural resources, of a picture book on the natural environment and resources, of a book on social and economic development, of a report on legislation and management at the township level, and of a history of the islands.

Statistics Show Antimony Reserves High

*OW1310204289 Beijing XINHUA in English
0905 GMT 13 Oct 89*

[Text] Beijing, October 13 (XINHUA)—China's has more proved reserves of antimony per capita than any other country in the world.

The latest national statistics show that the country's total reserves account for 50 percent of the world's deposits, also giving China top place.

In the 40 years since the founding of the New China, the country's output of antimony has increased by 27.7 times. The antimony produced in China is renowned for its high quality.

Antimony is a scarce non-ferrous metal. Antimony makes up five parts per ten million of the earth's crust. However, antimony is widely used in the production of

wear-resistant alloys, printing type and sheathing for submarine cables, as well as in the arms industry.

Ocean Studies Expected To Reap Economic Results

*OW1110050889 Beijing XINHUA in English
0218 GMT 11 Oct 89*

[Text] Beijing, October 11 (XINHUA)—China's development in oceanographic studies is expected to create 70 million jobs and make a quarter of the population rich by the end of the century, according to "CHINA DAILY" today.

China has become the third in the world in oceanographic surveying with a fleet of 62 specialized surveying vessels.

These ships are involved in investigation of oceanic resources and collecting data for further development of China's offshore and marine industry, said an official from the State Oceanic Administration (SOA).

The thorough investigation of China's continental shelves and many deep sea areas by SOA experts not only formed an important basis for China's scientific plan of developing its oceanic resources but also allowed the country to extend its oceanic survey to the high seas and other ocean space.

But forty years ago, China had to buy necessary data needed to study the hydrology and oceanography of its own territorial waters from foreign countries, because the country knew nothing about it.

This has been changed as an ocean data center equipped with giant computers and the latest scientific facilities has been established.

Meanwhile, China has set up a monitoring network of maritime environment, which effectively monitors the country's major pollution sources of sea areas.

Actually the country has already gained economic benefit from the coastal areas, which were seven times higher than its investment by utilizing the achievements of an overall survey.

Through a survey conducted in China's coastal areas, experts said, more than 666,666 hectares of farmland and over 400,000 hectares of water areas suitable for breeding fish are expected to be created.

And by the end of the century, an estimated 70 million people will be employed in the newly-created lands.

Yunnan Computers Meet International Standards

*OW1010105889 Beijing XINHUA in English
0905 GMT 10 Oct 89*

[Text] Kunming, October 10 (XINHUA)—The B-series micro-processor system made by the Yunnan Electronic

Equipment Factory have been approved by Underwriters Laboratories Incorporated (UL) of the United States.

That means the UL design can be used on the products. It is the first time for a Chinese made computer system to have such a designation. UL tests product safety and provides guarantees in many developed countries. Products with the UL label can more easily enter markets in those countries.

The B-series micro-processor systems are the result of technology imported from the Unisys Company of the United States. The factory's more than 30 computer products are now widely used at home in commerce, statistics, foreign exchange and transport.

The factory and Unisys Company have signed an agreement to export 3,000 micro-processors to the U.S. this year.

Six Major Railroads To Undergo Construction

*HK1110044989 Hong Kong TA KUNG PAO
in Chinese 7 Oct 89 p 1*

["Special" dispatch: "China To Build Six Major Railroads"]

[Text] Beijing, 6 Oct (TA KUNG PAO)—To improve land communication between the mainland and Hong Kong, China plans to build the second Beijing-Kowloon Railroad. This is one of the six major railroads China plans to build in the next period.

In the coming period, China will build six major railroads to improve the transportation of coal from Shanxi Province and improve transportation between north and south and in east China, northeast China, southwest China, and northwest China areas.

The railroad for improving transportation of coal from Shanxi Province—The second-phase project will be revised, and the Shenmu-Shuoxian railroad, the Jining-Tongliao railroad and Houma-Yueshan railroads will be built.

The north-south railroad—It is planned that another Beijing-Kowloon railroad will be built to improve transportation between north and south.

The east China railroad—The Xuzhou-Lianyungang Railroad will be double-tracked, and Fujian will build another out-of-bounds railroad.

The northeast China railroad—Another railroad between Qinhuangdao and Shenyang will be built to meet the needs of the increasing transport volume. At the same time, a railroad between Harbin and Dalian will be gradually electrified.

The southwest China railroad—It is planned to build a road for getting in and out of Sichuan and a road for transporting coal and phosphate rocks from Yunnan and

Guizhou, that is, a railroad between Xian and Ankang and a railroad between Nanning and Kunming will be built.

The northwest China railroad—At present, the north Xinjiang Railroad is under construction. After completion, it will become a "land bridge between Europe and Asia." The railroads between Zhengzhou and Lanzhou and between Lanzhou and Urumqi are being electrified. The construction of the Baocheng-Zhongwei Railroad, linking Shaanxi, Gansu, and Ningxia, has also begun.

Chengdu-Kunming Railway To Be Electrified

OW1410010189 Beijing XINHUA in English
1451 GMT 13 Oct 89

[Text] Chengdu, October 13 (XINHUA)—A decision to electrify the Chengdu-Kunming Railway has been announced by the Second Survey and Design Institute of the Ministry of Railways.

The project, which was approved by the State Planning Commission, Ministry of Railways, Ministry of Energy Sources, Ministry of the Metallurgical Industry, and Sichuan and Yunnan Provinces, is due to be completed under the next Five-Year Plan (1991-1995).

Built in 1971, the 1,100-kilometer railway passes over many bridges and through many tunnels, making construction very difficult. In total, the length of the bridges and tunnels along the route is more than 400 km.

Passing through southeast China, which is rich of minerals, hydro-power and tourist resources, the railway is always over-loaded and crowded with passengers.

The Second Survey and Design Institute has appointed seven surveying teams to investigate the project.

Statistics Outline Automobile Production

OW1910143189 Beijing XINHUA in English
1326 GMT 19 Oct 89

[Text] Beijing, October 19 (XINHUA)—China has the capacity to produce more than 600,000 automobiles a year, XINHUA learned here today.

Last year saw 640,000 automobiles produced in China, 4.3 times the figure for 1978. In the past decade the country produced 3.27 million automobiles.

According to statistics from the China National Automotive Industry Corporation, China has turned out a total of 5.01 million automobiles of various kinds in the past 40 years.

At present, China has 4.12 million automobiles, of which 88 percent are Chinese-made.

In the Seventh Five-Year Plan (1986-1990), the country authorized more than 100 capital construction and technical innovation projects for automotive production, the total investment surpassing 10 billion yuan.

In recent years there has emerged in China a batch of powerful enterprise groups and corporations in this industry, including the No. 1 Automotive Works Group, No. 2 Automotive Works Group and Heavy-Duty Truck Enterprise Group.

The output of these enterprises constitutes more than 85 percent of the total production of automobiles in China.

Bank To Issue New Credit Card in Four Cities

OW1310210789 Beijing XINHUA in English
1228 GMT 13 Oct 89

[Text] Beijing, October 13 (XINHUA)—The Industrial and Commercial Bank of China will issue "Peony" credit cards in Beijing, Tianjin, Shanghai and Guangzhou from October 15.

A spokesman from the bank said that "Peony" credit cards, as they were called, included gold cards for units and silver cards for individuals.

Any businesses, organizations, administrative units and citizens who held the cards could use them in special stores, restaurants and hotels in the four cities. They could also draw cash with them at some specified branches of the bank.

He said: "Credit cards are more convenient for consumers than cash and have been used throughout the world."

Shipping Firm Increases Volume

OW1610114589 Beijing XINHUA in English
1052 GMT 16 Oct 89

[Text] Beijing, October 16 (XINHUA)—The volume of goods carried by the China Ocean Shipping Company has reached 76 million tons a year, the overseas edition of the "PEOPLE'S DAILY" reports today.

The company now has 614 vessels with a loading capacity of 14 million tons. It has a fleet of 68 container ships and 15 roll-on-roll-off ships.

It owns more than 100,000 containers and rents 50,000, the total capacity amounting to 68,000 standard units.

The company has opened 41 regular routes. Each month, 109 vessels of the corporation leave Chinese ports for 65 ports in 32 foreign countries.

The company has set up freight companies, agencies and freight yards in Shanghai, Guangzhou, Tianjin, Qingdao and Dalian. It has also set up freight centers in West Europe, North America and Southeast Asia.

The China Ocean Shipping Company has developed its overseas business since China opened to the outside world. By the end of 1988, it had set up agencies in Hong Kong, Tokyo, Hamburg, New York and London and also accredited representatives to 23 main ports in the world.

Newspaper Urges Improved Drinking Water

OW1210231589 Beijing XINHUA in English
1253 GMT 12 Oct 89

[Text] Beijing, October 12 (XINHUA)—The "GUANG-MING DAILY" today called for the improvement of drinking water quality in rural areas.

By the end of last year, the Beijing-based newspaper said, a total of 575 million people in the countryside, 66.7 percent of China's rural population, were able to drink clean water by digging wells deeper, drinking underground water instead of ground water and installing running water.

However, the quality of drinking water in rural areas is still in need of improvement, the paper noted.

An expert from the National Patriotic Public Health Campaign Committee was quoted as saying that 60 percent of the water sources in rural areas are surrounded by pollutants. In some places, people and animals drink water from ponds, rivers and lakes, which are also used to dispose of industrial waste and sewage.

Millions of people still drink water containing high levels of fluoride and industrial development in rural areas has increased the amount of wastes further threatening the quality of drinking water in rural areas. In some areas, people are still short of water.

The expert called on local governments to work out water quality standards, regulations on the protection of water sources and the management of waterworks, and exert all their efforts to eliminate colon bacillus in the water supply of rural households.

Commerce Minister on Autumn Crop Procurement

OW2010110889 Beijing Domestic Service in Mandarin
2230 GMT 16 Oct 89

[By reporter Cai Xiaoling; from the "News and Press Review" program]

[Text] The harvest of autumn grain and oil-bearing crops this year is in progress. The procurement of cotton is also under way across the country. This reporter learned from the national telephone conference for the procurement of grain, cotton, and oil-bearing crops held last night that the total grain production in China this year is forecast to surpass that of last year, while cotton production is expected to be the same, and that of oil-bearing crops may drop a little.

Commerce Minister Hu Ping said: The situation pertaining to the procurement of grain, cotton, and oil-bearing crop this year is good. Regardless of whether areas enjoyed a bumper harvest, poor harvest, or suffered minor disasters, they must all take the overall situation into consideration, and ensure that the procurement targets for grain and oil-bearing crops are fulfilled or surpassed.

Hu Ping said: We must tighten control over the market for grain, cotton, and oil-bearing crops. All localities should take decisive measures to firmly prevent panic buying and inflating prices. We must not allow the outbreak of a price war in grain, cotton, and oil-bearing crops.

Hu Ping hoped that all localities will take advantage of the present busy season of autumn sowing and harvest to relay to the peasants the news concerning the State Council's decision to raise the procurement price of cotton and oil-bearing crops next year, and to encourage them to plant more of these crops.

At the telephone conference, Qiu Qing, vice president of the People's Bank of China, said: To ensure the accomplishment of the procurement mission, in addition to organizing and pooling the funds of various departments and the specialized banks to procure agricultural and sideline products, the People's Bank of China has specially set aside 20 billion yuan for seasonal short-term loans in the hope of avoiding the issuing of promissory notes because of problems in diverting bank funds.

East Region

Anhui Convenes Party Secretaries

OW1410225189 Hefei ANHUI RIBAO in Chinese
22 Sep 89 p 1

[Text] The Anhui Provincial CPC Committee held a meeting of secretaries of prefectural and city party committees in Xiuning County from 12 to 18 September. The meeting reported and exchanged information on the study and implementation of the guidelines of the 4th Plenary Session of the 13th CPC Central Committee and on the efforts to carry out the four major tasks in various localities. Responsible comrades at the provincial, prefectural, and city levels conducted investigations and studies during the meeting. Soon after the meeting began, they visited more than 20 localities in Luan, Huoshan, Shucheng, Tongcheng, Shitai, Qimen, and Xiuning Counties, and Anqing City in southwestern Anhui Province. Those localities are examples of success in building the two civilizations, in party building, or in agricultural development, and their remarkable success is the result of their adherence to the line, principles, and policies laid down since the 3d Plenary Session of the 11th CPC Central Committee and the line of the 13th National Party Congress. The conferees unanimously held that the investigation and study tours had enhanced their understanding of the provincial situations, the line since the 3d Plenary Session of the 11th CPC Central Committee, the line of the 13th National Party Congress, the guidelines of the 4th Plenary Session of the 13th CPC Central Committee, and the major policy decisions made by the provincial party committee and the provincial government in recent years. They are convinced by the success of these localities that the decisions and arrangements made by the provincial party committee and the provincial government conform to Anhui's realities. They can see that these decisions have yielded good results. Those decisions and arrangements deal with such things as "steady growth in one respect and acceleration of development in two fields;" coordination among agriculture, science, and education; development of barren hills in 5 years; cultivation of Anhui in 8 years; and learning from the Xinzhong Village party branch. The experience in those localities tells us that we must adhere to the party's ideological line of seeking truth from facts at all times, consider local realities, and do a job firmly once we are certain of success. We should display a spirit of self-reliance and hard struggle at all times, and persist in building the two civilizations simultaneously without neglecting either of them. The most important thing is to form a leading group that is truly devoted to its work and able to pass the stiffest test and lead the masses in working hard.

According to information from the meeting, in last 2 months or so, all localities have done solid work in implementing the guidelines of the 4th Plenary Session of the 13th CPC Central Committee and ensured steady development of both the political situation and the economic situation. The investigating and screening

work, the ideological and political work, the work of "wiping out pornography," and the work of combating corruption and promoting ethical integrity are being carried out step by step. Some success has been achieved. Continued progress is being made in improving the economic environment and rectifying the economic order and in reform, and in opening to the outside world. Since overcoming many difficulties, the province has maintained a good trend in economic development. However, the economic development is uneven and many difficulties and problems still exist. The key to solving present problems lies in thoroughly studying the guidelines of the 4th Plenary Session of the 13th CPC Central Committee and Comrade Deng Xiaoping's important speeches, comprehensively and correctly understanding the essence of the guidelines, taking economic construction as the central task, resolutely implementing the principle of improving the economic environment and rectifying the economic order, continuing to practice the system of the plant director assuming full responsibility and the system of contracted managerial responsibility, continuing to stabilize and improve the output-related system of contracted responsibility, continuing the principle of developing various economic sectors with public ownership as the main sector, continuing the policy of encouraging some people to become well-off first through honest work and legitimate business operations, continuing to implement the party's policies concerning intellectuals, and identifying our thinking with the guidelines of the 4th Plenary Session of the CPC Central Committee with respect to various major issues. Since some people are afraid that our policies might change, we should give broad publicity to the guidelines of the 4th Plenary Session of the 13th CPC Central Committee. We should point out clearly and definitely that our major principles have not changed, and that they will surely remain unchanged. The improvement of certain specific policies and measures and the correction of some mistakes of the past are not policy changes. They are, in fact, a return to the line of the 13th National Party Congress as well as an all-around implementation of the line laid down since the 3d Plenary Session of the 11th CPC Central Committee and the line of the 13th National Party Congress.

At the meeting, it was demanded that leading cadres at all levels seriously continue to carry out the four important tasks in the last 3 months of this year. The investigating and screening work must be carried through to the end in order to eliminate hidden trouble. It is necessary to try in every possible way to overcome economic difficulties with respect to capital funds, energy, and raw and processed materials, and to strive to achieve high economic growth if possible. It is necessary to seriously do good work in the political and ideological field under the new situation, and carry out earnestly and persistently education about upholding the four cardinal principles and the struggle against bourgeois liberalization. The work of wiping out pornography should be done further so as to eliminate pornography completely. It is necessary to strengthen party building and seize the

opportunity to ensure ethical integrity further and to combat corruption. Leading bodies at various levels should pay attention to building themselves. In particular, cadres at and above the county and department level should pay more attention to studying basic Marxist theory. They should emphasize studying well philosophy; having a grasp on dialectics; upholding the doctrine that everything has two aspects; enhancing their ability to analyze and solve problems with a dialectical materialist and historical materialist stand, viewpoint, and method; and overcoming a subjective and metaphysical way of thinking. Leading cadres at all levels should keep firmly in mind the duty of serving the people wholeheartedly, earnestly improve leadership, go to grass-roots units to conduct investigations and studies and grasp typical cases, and perform more actual deeds.

The conferees included secretaries of prefectural and city party committees and responsible comrades of the provincial party committee, the provincial Advisory Commission, the provincial People's Congress Standing Committee, the provincial government, the provincial Chinese People's Political Consultative Conference Committee, the provincial Discipline Inspection Commission, and various departments directly under the provincial authorities. Lu Rongjing, secretary of the provincial party committee, presided over and addressed the meeting. Meng Fulin, deputy secretary of the provincial party committee, also addressed the meeting. Other responsible comrades of the provincial party committee and the provincial government spoke at the meeting.

Lu Rongjing Meets Advanced Anhui Party Workers

*OW1510145189 Hefei ANHUI RIBAO in Chinese
28 Sep 89 p 1*

[Dispatch by reporter Liu Zhiji]

[Text] A grand meeting to commend advanced grass-roots party organizations and outstanding party workers in the province took place in Hefei on 27 September.

Leading Comrades Lu Rongjing, Fu Xishou, Meng Fulin, Wang Guangyu, Shi Junjie, Li Shinong, Cheng Guanghua, Liu Guangcai, Niu Xiaomei, and Zhao Baoxing cordially met with the representatives attending the commendation meeting.

The meeting was presided over by Liu Guangcai, member of the Standing Committee and head of the Organization Department of the provincial party committee.

Meng Fulin, deputy secretary of the provincial party committee, read the "Decision of the Anhui Provincial CPC Committee To Commend Advanced Grass-Roots Party Organizations and Outstanding Party Workers."

Lu Rongjing, secretary of the provincial party committee, addressed the meeting, paying respects to the advanced collectives and outstanding party workers on behalf of the provincial party committee. He expressed

the hope that the commended units and comrades would guard against arrogance and rashness, highly value the honor they have received, advance further to make even greater achievements, and continue to win glory for the party. Moreover, he urged the broad masses of party workers in the province to reinforce their confidence, overcome difficulties, and strive to raise our province's work of party building to a new level.

A total of 108 advanced grassroots party organizations and 154 outstanding party workers were commended at the meeting. They were the most prominent representatives of the large numbers of advanced grass-roots party organizations and outstanding party workers that had emerged in recent years on various fronts in our province. In the struggle to check the turmoil and quell the counterrevolutionary rebellion, they took a firm and clear-cut stand to maintain unity with the party Central Committee. Under the impact of the rampant trend of bourgeois liberalization thinking, they showed a high degree of political consciousness and firm party spirit. In building the two civilizations, they persisted in reform and were brave in doing pioneer work and blazing new trails. They have firm confidence in communism and dare to struggle against all corrupt phenomena and unhealthy practices within the party. They are truly the outstanding units and individuals of our times.

The representatives of the advanced grass-roots party organizations and outstanding party workers, imbued with excitement, received citations and certificates awarded by provincial leading comrades.

Speeches were made at the meeting by an advanced party organization representative; Wang Shushan, secretary of the party committee of the Maanshan Iron and Steel Company; and by two outstanding party workers, namely, Jin Shaokun, secretary of the party committee of Tianchang County, and Li Yukuan, secretary of the party committee of Nanfeng Township, Langxi County. They all pledged to guard against arrogance and rashness and to continue to do their best to contribute more to our province's work of party building, reform, and opening to the outside world.

Anhui Leaders Attend National Day Flower Exhibit

*OW1510084289 Hefei Anhui Provincial Service
in Mandarin 1100 GMT 2 Oct 89*

[Recorded report from the "Provincial Hookup" program]

[Excerpts] [Passage omitted on celebrations in a park] The people throughout the province are jubilantly celebrating the glorious National Day of our great motherland. The party, government, and military leaders of our province have also come to the Xiaoyaojing Park in Hefei to spend joyously National Day with the broad masses.

At 0830, in the park's Cangyou court, we came across Lu Rongjing, secretary of the provincial party committee, and other provincial party, government, and military

leaders, including Fu Xishou, Wang Guangyu, Shi Junjie, Meng Fulin, (Liu Guangcai), Niu Xiaomei, Zhao Baoxing, (Wang Shengjun), Zheng Rui, Guang Renhong, Li Yuanxi, and (Shi Lei). [passage omitted]

An exhibition of flowers, bonsai, and flower arrangement is taking place in this court today. Over 1,000 flowers and bonsai and 100 pieces of flower arrangement are displayed in the tortuous corridors of the court. These beautiful flowers and bonsai and the diversified flower arrangements appeal to the provincial party, government, and military leaders visiting there. We seize the occasion to have a talk with Lu Rongjing, who is watching the bonsai with great interest.

[Reporter] How are you, Secretary Lu? I am a reporter with the Anhui People's Broadcasting Station. I am very happy to meet you here. I would like to ask you to take this opportunity to say something to the vast number of listeners across the province.

[Lu Rongjing] First of all, I would like to extend the holiday greetings to the people across the province on behalf of the provincial party committee and government. The just beginning autumn season ushers in the 40th anniversary of the founding of the People's Republic of China. Almost all of the leading comrades of the provincial party committee, government, the provincial People's Congress, the provincial Advisory Committee, the provincial Chinese People's Political Consultative Conference, and the provincial Discipline Inspection Committee have come here to spend this glorious day happily with the people of Hefei. We are very happy to be here. This year's founding anniversary is wrapped in a strong festive atmosphere, signifying that the people of our country are full of confidence in our motherland's future and in Anhui's future. [passage omitted]

Anhui Prepares for Enterprise Screening

OW1310223989 Hefei Anhui Provincial Service
in Mandarin 1100 GMT 12 Sep 89

[From the "Provincial Hookup" program]

[Excerpts] The provincial party committee and the provincial government on 11 September passed a decision on implementation of the decision of the CPC Central Committee and the State Council on further screening and rectifying business operations. [passage omitted on province's efforts and problems encountered since October 1988 in carrying out the work of cleaning up companies]

In order to carry out the central decision, the provincial party committee and government, after taking into consideration the province's situation, have made the following decision:

1. We must further raise awareness about the central decision. Party committees and governments at all levels

must organize the cadres and masses to study the decision of the CPC Central Committee and the State Council on further screening and rectifying business operations. This decision must be widely publicized.

2. We must conscientiously step up leadership. Party committees and governments at all levels as well as various departments must give top priority to the work of screening and rectifying companies. To ensure that the various tasks connected are carried out well, it is necessary to make the provincial governor, administrative commissioners, mayors, county heads, and department heads responsible for the work within their jurisdiction.

3. The work of screening and rectifying companies should begin with units directly under the provincial authorities. The Huawan Industrial (Group) Company, the Jianghuai Kanghua Development Company, and the Economic Technology Development Company must be further investigated and, based on the results of the investigation, dealt with properly.

4. We must resolutely close companies run by party and government agencies. The small number of companies that meet the needs of society, that generate remarkable economic results, and that must indeed be retained, should totally sever their relations with their parent agencies and organizations and be put under the administration of competent authorities concerned.

5. We must be determined to eliminate excessive companies. Through the screening process, a number of companies that either do not meet the needs of society, that are redundant, that are poorly qualified, or that seriously break laws and regulations—as well as those that have long been mismanaged, have lost a great deal of money, or have become insolvent—should either be closed or merged. In trade, excessive companies dealing with commercial wholesale, foreign trade, and the supply of materials, as well as financial companies, should be selectively eliminated.

6. We must schedule a time to double check after the work of screening and rectifying companies is finished.

7. We must further investigate cases of violations of the law. In the course of screening and rectifying companies, merely eliminating excessive companies is not enough; it is also necessary to conduct in-depth investigations into cases in which the law has been broken.

8. We must handle work well in the wake of closing and merging companies. Companies ordered to close or to be merged should first cease operations. Those companies with supervisory agencies will have their supervisory agencies take inventory of their assets, handle their financial claims and liabilities, and handle the placement of their personnel. Those without supervisory agencies will have local governments designate agencies to handle their case.

9. We must strengthen various management systems to ensure the healthy development of companies. Industry

and commerce administrations at all levels should conduct a yearly inspection of companies and reregister those surviving the screening and rectification drive and strictly define the operational scope and methods of those companies.

10. During the course of screening and rectifying business operations, with the exception of companies engaged in production or developing new technologies, no new companies should be allowed to be established.

Shandong Agricultural Plan Creates Controversy

HK1810145689 Hong Kong ZHONGGUO TONGXUN SHE in Chinese 0800 GMT 18 Oct 89

[Report: Shandong's Implementation of Agricultural Management on a Fairly Large Scale Arouses Controversy"—ZHONGGUO TONGXUN SHE headline]

[Text] Jinan, 18 Oct (ZHONGGUO TONGXUN SHE)—Shandong, China's biggest predominantly agricultural province, has met with resistance in carrying out agricultural production on a fairly large scale, and this has become the subject of much discussion among people in all sectors of society.

The transformation of collective land management by the people's communes to allocation of land to individual households, the implementation of a system of contracted responsibilities on the household basis, and then to a fairly large scale of land operation are regarded by economists as the three steps of China's agricultural development. At present, the second step—implementation of the system of contracted responsibilities on the household basis—has been accepted by most peasants. However, people have differing views on the third step—implementation of land operation on fairly large scale.

Proponents contend: Operating land on a fairly large scale can accelerate the pace of agricultural mechanization and help liberate the peasants from heavy manual labor, and help the application of advanced technology to agricultural management. Under the system of contracted responsibilities on the household basis currently in place, the original large tracts of land are divided into small fields like Buddhist monks' patchwork vestments, and each household tills its contracted land in its own way. This has resulted in disintegration of the system of water conservancy facilities and made large farm machines unable to play their part.

Opponents argue: Although the implementation of land operation on a fairly large scale can raise the level of mechanization, boost per-unit area crop yield, and liberate labor, how should the resulting superfluous labor force be handled? Moreover, the current agricultural productivity level is low; the peasants have insufficient economic strength to achieve mechanization at one go in the short term; and it is hard to guarantee completely power and energy supplies for the rural areas at the present stage.

Nevertheless, some industrially developed areas of the province have carried out land operation on a fairly large scale. In Xinmouli Village, situated at the eastern tip of the Liaodong Peninsula, 30 peasants are now operating all the land of the village, and machines are used in the whole production process from sowing to harvesting. The other several hundred peasants of the village have entered village-run factories as workers.

Some economists here comment: No matter what happens, Shandong, this big, predominantly agricultural province, will eventually embark on the road taken by Xinmouli Village. This is just a matter of time.

Zhejiang Secretary Attends Memorial Service

OW1110123289 Hangzhou Zhejiang Provincial Service in Mandarin 0900 GMT 15 Sep 89

[From the "Provincial Hookup" program]

[Excerpts] The memorial service for Comrade Liu Dan, outstanding Chinese Communist Party member, a faithful communist fighter, former deputy chairman of the Standing Committee, deputy secretary of the leading party group of the Zhejiang Provincial People's Congress, honorary rector of the University of Zhejiang, and renowned educator, was held in Hangzhou this afternoon. Comrade Liu Dan died of illness at the age of 80 in Hangzhou at 1650 on 5 September. [passage omitted]

The memorial service was presided over by Lu Yongxiang, alternate member of the CPC Central Committee and rector of the University of Zhejiang. Chen Anyu, chairman of the Standing Committee of the provincial People's Congress, delivered the eulogy. [passage omitted]

Those who sent wreaths and elegiac couplets included Li Tieying, Jiang Hua, Yan Jici, Zhang Aiping, Zhang Jingfu, Li Yimang, Wang Fang, Fang Yi, Su Buqing, Qian Sanqiang, Tan Qilong, Chen Weida, Huo Shilian, Lin Hujia, Tie Ying, Li Fengping, Chen Guodong, Wang Daohan, Hu Lijiao, Chen Zuolin, Hu Keshi, He Dongchang, Teng Teng, Xia Zhengnong, Zhu Kaixuan, Zou Shiyan, Huang Xinbai, Yang Haibo, Xia Yan, Tang Ke, Zheng Rui, Tan Jiazhen, and other central leading comrades as well as Comrade Liu Dan's friends.

The Zhejiang Provincial CPC Committee, People's Congress Standing Committee, Advisory Commission, Discipline Inspection Commission, People's Government and CPPCC Committee; the State Education Commission, the Chinese Academy of Sciences, the Standing Committees of Shanghai Municipal People's Congress and Anhui Provincial People's Congress; the University of Zhejiang and its CPC Committee; as well as various provincial departments, mass organizations and institutions of higher learning, and party and government departments from Comrade Liu Dan's hometown of Feidong County in Anhui Province also sent wreaths and elegiac couplets.

Li Zemin, Chen Anyu, Shen Zulun, Ge Hongsheng, Shang Jingcai, Chen Fawen, Luo Dong, Wu Renyuan, Xia Zhonglie, Liu Yifu, Zhang Xueyi, Zhang Shixiang, Wu Minda, Wu Zhichuan, Wang Qidong, Wang Yumin, Yang Bin, Li Debao, Tan Yuanbing, Qiu Qinghua, Li Dexin, Li Chaolong, Zhou Chunhui, Zhan Shaowen, Hu Canshi, Zhang Kaifan, Shi Ping, Wang Chongji, Zhang Jingsheng, Kang Mingcai, Li Qing, Mao Qihua, Wang Jiayang, Zhang Jingtang, Zhai Xiwu, Liu Zizheng, Yu Jiyi, and Xing Zidao attended the memorial service. [passage omitted]

Central-South Region

Guangdong Secretary Inspects Sugar Cane Fields

HK1910061589 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 18 Oct 89

[Excerpts] Provincial party committee Secretary Lin Ruo recently made an inspection visit to Enping County to understand how to apply the less-plowing method for sugar cane planting. When seeing the sugar cane coming along fine as a result of applying the method, he pointed out: This method is really good and it will be vigorously spread throughout the whole province next year. [passage omitted]

This year, Enping County plowed 220 mu of land by the applying the less-plowing method, and the sugar cane in the land are all growing well. This proves that this method is a practical advanced skill for sugar cane planting.

Guangdong Considers Economic Difficulties

Problems Termed 'Unavoidable'

HK1810154389 Guangzhou Guangdong Provincial Service in Mandarin 1000 GMT 18 Oct 89

[Text] At a meeting attended by responsible persons from different departments of the provincial government yesterday, Vice Governor Yu Fei said: The problems that Guangdong is now facing in its economic work such as a soft market, a money shortage, the strain on the supply of energy and raw materials, and insufficient transportation are all unavoidable in the current process of economic improvement and rectification and are normal phenomena. In no way should we think that we have made a mess of economic improvement and rectification. This must be regarded as a basic principle of our correct understanding of the present economic situation.

Yu Fei continued: We must take full account of the difficulties we are facing and will face, and at the same time try every conceivable way to surmount and weather through these difficulties. We firmly believe that with our arduous efforts, we shall overcome the difficulties we are faced with.

Governor Optimistic on Investments

HK1610021989 Hong Kong SOUTH CHINA MORNING POST in English 16 Oct 89 p 11

[By Kenneth Ko in Guangzhou]

[Text] More centralised control of the economy and personnel changes in Guangdong would not deter investors from coming to the province, Governor Ye Xuanping said yesterday.

Commenting on the recent number of arrests of officials found guilty of economic crimes, including Mr Xu Yunian, head of the province's Commission on Foreign Economic Relations and Trade, Mr Ye said: "China's foreign trade policy remains intact and Guangdong will strive to improve the economic environment for overseas investment."

Mr Ye said no decision had yet been made on Mr Xu's replacement.

"I have confidence that overseas investors will continue to maintain a strong presence in Guangdong," he said.

The province's first vice-governor, Mr Yu Fei, added that Guangdong had achieved impressive growth in foreign trade despite recent economic sanctions imposed on China by some foreign countries.

Mr Yu, whose portfolio is economic planning and foreign trade, also pledged to continue the anti-graft drive on the mainland as well as the rectification of funded companies in Hong Kong.

Of some 280 China-funded companies in Hong Kong, more than 200 had been closed, Mr Yu said. He anticipated more would be shut down in the future.

Mr Ye, son of Marshal Ye Jiangying, would not comment on whether he would be promoted to a senior central government post in Beijing, as has been rumoured in the Hong Kong press.

Analysts in Guangdong believe, however, that Mr Ye, who is well-known to Hong Kong and Western businessman as a pro-reformist official, will stay on in his present position to reassure overseas investors.

Guangdong SEZ To Crack Down on Underworld Gangs

OW1710151689 Beijing XINHUA in English 0632 GMT 17 Oct 89

[Text] Shenzhen, October 17 (XINHUA)—The government of Shenzhen, a special economic zone [SEZ] in south China, has issued a circular warning underworld gangs to turn themselves in by November 15 or face the consequences.

The vice-director of the city Public Security Bureau, Wang Jiuming, said that in the past few years criminal gangs in the city had been endangering society and had angered residents.

The police had been waging a special campaign against the underworld since August and a number of gangs and individual members had been arrested.

He said the gangs, exploiting the opportunities offered by the special zone's opening to the outside world, came from Hong Kong and flourished in Shenzhen.

The city government outlawed them in 1982 and dealt them a severe blow in 1983 when six gang leaders from Hong Kong were executed.

However, crime had been increasing in the past few years. Since August the police had not only arrested a number of gangs and individual gang members, but had also seized 1,200 other criminals and dealt with more than 1,200 cases, 500 of which were major ones.

The vice-director called on local residents to co-operate with the police to suppress organized crime. Already some gang leaders had fled to Hong Kong or inland provinces, and some had gone into hiding in the city.

He said: "We are determined to destroy these criminal organizations."

Guangdong Economic Zone To Increase Power Supply

*OW1610015289 Beijing XINHUA in English
0110 GMT 16 Oct 89*

[Text] Shenzhen, October 16 (XINHUA)—The Shenzhen Special Economic Zone in south China's Guangdong Province is building several thermal power stations with a total designed generating capacity of 265,000 kilowatts, according to Mayor Li Hao today.

Three of the stations will be located in Nantou Industrial District, Baoan County and Shatoujiao. The stations will alleviate the severe power shortage in the zone when they go into operation next year.

Shenzhen is also planning to build a 700,000 kilowatt thermal power station. Discussions are also being held concerning the possibility of buying electricity from Hong Kong, the mayor disclosed.

Shenzhen's daily electric supply shortfall of about 3 million kilowatt hours seriously hampers production at many enterprises.

Guangdong Increases Technology Exports

*OW1910074689 Beijing XINHUA in English
0648 GMT 19 Oct 89*

[Text] Guangzhou, October 19 (XINHUA)—As a major part of the foreign trade of south China's Guangdong Province, technology exports have developed rapidly in recent years.

Statistics from the Economic Relations and Trade Committee of Guangdong Province show that 35 technology items were exported from the province in 1988, earning nine million U.S. dollars, 4.4 times more than in 1987.

During the first half of this year, technology exports earned 5.8 million U.S. dollars.

Since its opening to the outside world ten years ago, Guangdong Province has transferred its technology trade from the national market to the world market by importing foreign advanced technologies and improving its own.

At present, Guangdong has exported its technologies to more than ten developing countries and regions, and some practical techniques have also been exported to developed countries.

These export items covered the machinery, light industry, environmental protection, building materials, metallurgy and mineral products, hydropower, electrical, medical and health protection industries.

Meanwhile, Guangdong has also exported technologies to set up joint ventures in foreign countries.

It is learnt that several counties of the province, such as Jiangmen, Zhuhai and Zhanjiang, will set up joint ventures by exporting technologies in Thailand, Indonesia, Iran and Cuba in the second half of this year.

According to the committee, personnel have been specially trained for the further development of this program.

Guangdong Sets Up Exporting Township Enterprises

*OW1710115489 Beijing XINHUA in English
1050 GMT 17 Oct 89*

[Text] Guangzhou, October 17 (XINHUA)—South China's Guangdong Province has developed export-oriented township enterprises with foreign investment.

In the first half of this year, the number of export-oriented township enterprises grew to more than 13,000, 1,315 more than last year, and they earned about 1.07 billion U.S. dollars, a 73 percent increase over the same period of last year.

In order to attract more and more foreign investors, most township enterprises in the province this year have instituted preferential policies in the use of land, water, power and transportation, and taxation.

Foreign Ministry Comments on Mainland's Positions**'Unflinching' on Reunification**

OW1910113989 Beijing XINHUA in English
1128 GMT 19 Oct 89

[Text] Beijing, October 19 (XINHUA)—China firmly opposes any attempts to create "two Chinas", "one China, one Taiwan" or to bring about "dual-recognition," a Chinese Foreign Ministry spokesman said here today at the weekly newsbriefing.

Li Zhaoxin said the Chinese Government's position on the Taiwan issue is unflinching and has long been accepted by the international community.

When asked what measures the Chinese Government would take after the Belize Government established diplomatic relations with Taiwan, Li said the Chinese Government is taking this issue seriously.

He said the erroneous acts by the Belize Government contravene the principles included in the joint communique on the establishment of the diplomatic relations between China and Belize.

Recently, he said, the Taiwan authorities moved hither and thither in an effort to peddle their "elastic diplomacy" and "dollar diplomacy" by means of economic assistance or loans. They try to buy over by big money some countries in economic difficulties that have diplomatic ties with China, in an attempt to establish and develop official relations with them. They even try to bring about "dual-recognition" or create "two Chinas" or "one China, one Taiwan," in an attempt to split China, Li added.

"People should stand vigilantly against this," Li said.

He continued that the international community has long accepted the fact that there is only one China in the world and the Government of the People's Republic of China is the sole legitimate government representing the entire China, and Taiwan is an inalienable part of the Chinese territory.

The Chinese Government resolutely opposes any countries having diplomatic relations with China to establish official relations or contacts with Taiwan, he said.

The spokesman noted that the reunification of China is a general trend of the time and the common desire of the people, and can never be reversed by any force.

The behavior of the Taiwan authorities contravened the position of "one China" they had repeatedly declared and will definitely arouse indignation and opposition from the Chinese people both at home and abroad who are in favor of the peaceful reunification of the motherland.

"No attempt to obstruct the great cause of China's reunification will succeed," the spokesman said.

Taiwan's Right To Join GATT Refuted

OW1910105889 Beijing XINHUA in English
1043 GMT 19 Oct 89

[Text] Beijing, October 19 (XINHUA)—A Chinese Foreign Ministry spokesman said here today that Taiwan, as one of China's provinces, has no right to join the General Agreement on Tariffs and Trade (GATT) by itself.

Li Zhaoxing made the remarks at a weekly newsbriefing in response to a question seeking comment on Taiwan's application for its membership in GATT.

Li said that China was a founding member and a contracting party to GATT. The Government of the People's Republic of China is the sole legal government of China and Taiwan is part of China. In October 1971, he said, the General Assembly of the United Nations adopted a resolution to restore to the People's Republic of China its lawful seat in the United Nations. In the same year, it was decided at the conference of the contracting parties to GATT, in line with the above-mentioned resolution, to deprive the Taiwan authorities of their status as an "observer" in GATT.

In July 1986, Li went on, the Government of the People's Republic of China formally submitted its application for the restoration of its status as a contracting party to GATT. GATT is now working on the question of restoring such a status to China. At present, the issue to be addressed first is the restoration of China's status as a contracting party to GATT, he added.

The spokesman pointed out that as one of China's provinces, Taiwan has no right to join GATT by itself. Only with the consent of the Chinese Government, will there be a possibility for Taiwan to join GATT as a separate customs territory. However, this matter can only be taken up after the resolution of the question of restoring to China its status as a contracting party to GATT.

Commentary Views Government's Ties With Liberia

HK1810150189 Hong Kong LIAOWANG OVERSEAS
EDITION in Chinese No 42, 16 Oct 89 p 6

[Article by Yuan Yang (6678 3152): "Another Serious Step Damaging the Interests of the People on Both Sides of the Strait—Commenting on the 'Reestablishment of Diplomatic Relations' Between the Taiwan Authorities and Liberia"]

[Text] After a "year's effort," on 9 October the Taiwan authorities and Liberia signed what they called a communique on the reestablishment of "diplomatic relations." This is another serious step damaging the interests of the people on both sides of the strait that the Taiwan authorities have taken since the "establishment of diplomatic relations" with Grenada in July this year in their active pursuit of "flexible diplomacy" for the purpose of "dual recognition" and creating "two Chinas."

The Liberian Government refused the Chinese Government's advice and wantonly violated the commitment it made in 1977 that the PRC is the sole legitimate government of China when it established diplomatic relations with China, thereby forsaking its international prestige and harming the interests of the people of the two countries. As a matter of course, the Chinese Government has made corresponding responses: It has suspended its diplomatic relations with Liberia and withdrawn its embassy from that country.

The Chinese Government's consistent stand is that it resolutely objects to the establishment or reestablishment of official relations, and to official exchanges between Taiwan and countries that already have diplomatic relations with China; it has no objection to economic, trade, and cultural exchanges of a civilian nature.

Recently the Taiwan authorities have given large-scale publicity to the "reestablishment of diplomatic relations" with Liberia by asserting that this is "another success in its diplomatic offensive." It is also trying to establish "official relations" with more countries. On this point, people cannot help asking what the Taiwan authorities' "successful" way to "flexible diplomacy" is after all. Are its prospects "very promising"?

Liberian newspapers disclosed that to establish diplomatic relations with Liberia, the Taiwan authorities provided economic aid totalling over \$200 million to Liberia. Taiwan newspapers admitted that last year the Taiwan authorities "donated" 15,000 tons of rice to Liberia, which subsequently allowed Taiwan to set up a "commercial delegation" that "enjoys complete diplomatic privileges" in the country. The Taiwan authorities' practice of using money to buy diplomatic relations from economically poor countries has aroused resentment among people on and outside the island. Many farsighted people expressed their worries by asking how long and how much of such a burden Taiwan will take. If the situation changes, will such diplomatic relations remain firm and long? A pro-Taiwan academic said that this "has cost too high a price" and advised people "not to be too happy about it." He believed that it would be a "dream" for dozens of countries that have diplomatic relations with China to establish "diplomatic ties" with Taiwan. He admitted that medium-sized countries and above will not take the risk of suspending their diplomatic relations with China to establish "diplomatic relations" with Taiwan.

Some Taiwan newspapers have boastfully asserted that the "reestablishment of diplomatic relations" with Liberia is "another great success" in the "practical diplomacy" initiated by Li Teng-hui. Viewing the "establishment of diplomatic relations" with Grenada and the "reestablishment of diplomatic relations" with Liberia, people have really become aware that the Taiwan authorities have gone further and further in their pursuit of "flexible diplomacy" and creating "two Chinas" since Li Teng-hui assumed office. Particularly

since China put down the rebellion, the Taiwan authorities have miscalculated the situation, thinking that Western countries' economic sanctions against China have provided the "best opportunity" "never seen in a thousand years" for Taiwan to exercise "flexible diplomacy" and "practical diplomacy." Thus they have taken advantage of this opportunity to launch what they call "initiative offensives."

However, the world has commonly admitted that China's international role, position, and influence cannot be replaced by Taiwan's, and that the PRC international legal entity remains unshakable. The international community recognizes the PRC as the sole legitimate government that represents all of China and that Taiwan is an integral part of Chinese territory. There is only one China, and Taiwan will return to the embrace of the motherland sooner or later. Therefore, the international community will not recognize two Chinas, and Taiwan will never become a political body with an independent entity in international law.

Now more and more people in the world have come to understand that China's crackdown on the rebellion is an internal affair of the country. China's policy of reform and opening up has remained unchanged since the crackdown. They wish to maintain and develop their friendly relations with China. The Taiwan authorities should have a sober understanding of this situation, otherwise they could cause serious consequences to Taiwan's future.

Over the last few years, the Taiwan authorities have made greater efforts than before to pursue "flexible diplomacy" and "practical diplomacy" and to flagrantly create "two Chinas." These practices have produced a negative impact on the relaxed relations between the two sides of the strait and have become an obstacle to the peaceful reunification of the motherland. This can only arouse concern among the entire Chinese people and the people in the rest of the world.

It must be pointed out that the Taiwan authorities' attempt to create "two Chinas" or "one China, one Taiwan" through their "flexible diplomacy" is bound to make the island's separatist idea stronger and the forces for Taiwan's independence more secure. Apart from violating the fundamental interests of the entire Chinese people, including the Taiwan people, this also runs counter to the principled stand of Messrs Chiang Kai-shek and Chiang Ching-kuo on "one China" and "opposing Taiwan's independence." One will reap melons if he grows melons, and beans if he sows beans. If the Taiwan authorities continue to act willfully, they will eventually be held responsible for the historical consequences and will swallow the bitter fruit they have grown.

We advise the Taiwan authorities not to be misled by shortsighted measures, but to judge the hour, size up the situation, change over to new ways, and do something beneficial for the relaxation of the situation between the two sides and for the reunification of the country.

Premier Li Huan Stresses Lack of Ambition

OW1810001889 Taipei CNA in English
1602 GMT 17 Oct 89

[Text] Taipei, Oct. 17 (CNA)—The Republic of China's Premier Li Huan told the Legislative Yuan Tuesday that he had never "managed to win," nor had he "ever sought," any post during his 40-year political career in Taiwan.

He made his remarks in response to a question from Legislator Chang Chun-hsiung of the opposition Democratic Progressive Party on whether he would run for the presidency next year.

Li told the National Legislature that during his 40 years of public service in Taiwan he had worked in many different posts. "Every time I assume a post, I just encourage myself to do my best. I have never managed to win or to seek another post," he said.

He stressed that he had never thought of how long he will serve in his current post, which he assumed last June. He assured that in the future he would never "actively win or seek any post."

This was the first time that the 72-year-old Li had openly "distanced" himself from rumors that he might run in the presidential election scheduled for next March.

As the election approaches, the question of "who would be whose running mate" has become an intriguing but sensitive topic among the politically interested.

Judicial Yuan President Lin Yang-kang recently created a stir by saying that he would at most accept the offer to run for vice presidency. He explained that there were several experienced political leaders who are more suitable candidates for the nation's highest post than he.

Visas Limited for PRC Dissidents in Hong Kong

HK1710023789 Hong Kong HONGKONG STANDARD
in English 17 Oct 89 p 6

[By Fan Cheuk-wan]

[Text] Taiwan will grant entry visas to only six of about 70 pro-democracy mainland dissidents stranded in Hong Kong.

If they pass a final assessment later this week, they will become the first self-proclaimed mainland pro-democracy activists to be granted entry permits since the Yang Yang incident.

However, the fate of more than 60 Chinese dissidents who fail to obtain a Taiwan visa will become increasingly gloomy because of the row between China and Hong Kong over the handling of overstaying mainland visitors.

Mr Liu Peng-chun, deputy head of Taiwan's Bureau of Entry and Exit, told the HONGKONG STANDARD

yesterday that the bureau would meet this week to scrutinise applications by about 70 mainland dissidents for residence in Taiwan.

Mr Liu said only six applicants had passed the preliminary assessment of the selection committee early this month.

"Very few applicants currently stranded in Hong Kong meet our basic requirements," he said.

Mr Liu said the bureau had already held two meetings to scrutinise the applications, but the exact number of successful applicants would only be confirmed after the third meeting.

Mr Liu said all the applicants had requested that information about them be kept confidential.

He said Taiwan was concerned about Hong Kong's position in the row with Beijing.

China has refused to accept Chinese illegal immigrants repatriated by Hong Kong for a week in protest against the Government's approval for the departure to the United States of Mr Yang Yang, a self-proclaimed dissident overstayer early this month.

"Because of the Yang incident, our bureau will become more careful in screening entry applications by mainland dissidents in Hong Kong," he said.

"We want to minimise trouble to the Hong Kong Government when we handle the entry applications," he said.

Mr Liu said Taiwan government had never contacted the Hong Kong Government about the entry applications of Chinese dissidents stranded in Hong Kong through official or unofficial channels.

Unlike Mr Yang, Mr Liu said successful applicants would have no difficulty going to Taiwan as they had not sought the same publicity as Mr Yang.

He said Taiwan would have difficulty helping those who failed to be granted residence in Taiwan to get visas for other countries.

Mr Liu said the entry permits would be sent to successful applicants through the Hong Kong Rennie's Mill Refugee Camp Relief Committee.

Mr Cheung Hon-chung, general secretary of the pro-Taiwan committee, said his group would continue to offer assistance to mainland dissidents stranded in Hong Kong.

But Mr Cheung refused to discuss the 70 mainland dissidents who had sought help from his committee, saying the Hong Kong Government had been in a difficult situation since the Yang incident.

Commentary Views New Ties With Belize

OW1710112689 Taipei International Service
in English 0200 GMT 17 Oct 89

[Station commentary: "ROC-Belize Ties Established"]

[Text] Last Friday, the Republic of China [ROC] on Taiwan scored yet another diplomatic victory by re-establishing ties with the Caribbean nation of Belize. Just about 10 days prior to that, Taipei had established diplomatic relations with the West African nation of Liberia.

The victories for Taipei's new pragmatic diplomacy made it plain to see that the momentum is in Taipei's court and that the effort is achieving cross-continent results.

Belize became independent of British rule in 1981. It becomes the third country this year to simultaneously recognize both Taipei and the Chinese Communist regime in Peking.

In July, Belize's neighbor, Grenada, became the first nation to test the dual recognition of the Chinese entities on either side of the Taiwan Strait. On Oct. 2, Liberia followed.

In both those cases, Peking refused to go along with dual recognition and cut relations with Grenada and Liberia.

In the old days, say prior to 1988, Taipei also refused to accept dual recognition. When a country lent official recognition to Peking, Taipei cut relations with it. That process began in 1949, and after 3 decades of gradual international acceptance of Communist China, only 22 nations recognized Taipei, while more than 100 recognized Peking.

To break out of the isolation, Taipei decided to pursue a more pragmatic foreign policy on the issue of diplomatic recognition. Instead of severing ties with those nations that recognized Peking, Taipei decided to allow for dual recognition to suit the temporary reality of a divided China. Taipei had, however, adamantly stuck to its one China policy, that is, that there is only one China, and Taiwan is part of it. The catch is that the one China is the historic China, not Communist China, and Taiwan is not part of Communist China, and never has been.

On the good side of the coin, Taipei's new pragmatic diplomacy is welcomed by many nations, specially those who enjoy good economic relations with this prosperous island. While only three nations have opted to carry through with dual recognition China policies, many more are contemplating the switch, and the ROC's diplomats are busy pursuing ties with them.

On the other side of the coin, the Chinese Communist regime in Peking is acting very belligerent about the whole thing. Peking has made false claims that Taipei is pursuing a two China's policy, and that the effort will fail. The inherent risk for Taipei is that Peking will become more like a pouting bully, and eventually resort to military force to stop Taipei's progress on the diplomatic front.

The specter of that worse case scenario makes it ever more apparent that Taipei needs diplomatic relations with other countries. Only through political relations can Taiwan ever rely on international support for political causes.

In exchange for that support, Taipei is offering economic aid to its friends and allies. It is likely that more developing countries will choose the dual recognition route because it is in their national economic interests. Perhaps the next stage for Taipei will be to win recognition from the avowed neutral states. In any case, Taipei is happy to have Belize aboard!

Rice Donations Seen as Solution to Glut

OW1710032689 Taipei CNA in English
0240 GMT 17 Oct 89

[Text] Taipei, Oct. 17 (CNA)—The Republic of China, long troubled by a glut of locally-grown rice, should be much relieved in the years ahead. The surprising solution to the chronic problem is to "give," but not to "sell," the excessive rice abroad.

There are about 800,000 metric tons of rice in local warehouses, but the nation needs a mere 400,000 metric tons for "security considerations," according to agricultural authorities.

In order to tackle the rice overproduction problem, agricultural authorities have adopted a two-pronged policy. On the one hand, local rice growers have been encouraged to shift to growing other economic crops; this, however, has been to no avail.

On the other hand, the Government of the Republic of China [ROC] has tried everything possible to sell the excessive rice abroad. This move was not successful either, because of an agreement between the ROC and the United States that limits the nation's rice exports.

A quota of 99,000 metric tons of rice was still available for sale when the rice agreement expired late last year. Agricultural authorities sold by auction a mere 22,000 metric tons during the first six months of 1989.

Since July, international rice prices have unfortunately slipped and not a single grain of rice has been sold.

Agricultural authorities recently found what they termed a "perfect" solution to the glut of rice on the local market.

The new solution proved effective as the Republic of China "lent" 10,000 metric tons of rice to the Philippines a month ago, an agricultural official revealed.

The volume of surplus rice was further cut when the ROC donated rice to Liberia following the reestablishment of diplomatic relations between the two countries in early October, the official said. The exact volume of rice the ROC gives to Liberia was not known.

The official regarded the give-away of rice as the "perfect" way to cope with the "rice issue." "While helping cut the amount of surplus rice, it will improve the nations' substantive relations with friendly countries," he said.

JLG Appeals for 'Confidentiality' on Tamar Issue

*HK2010014789 Hong Kong HONGKONG STANDARD
in English 20 Oct 89 p 3*

[By Yue Sin-yui]

[Text] The British side of the Joint Liaison Group (JLG) has appealed to its Chinese counterpart for confidentiality rather than open disputes.

A source from the British side said the Chinese had enough opportunities in JLG talks to express their grievances.

"Having aired their views over the relocation decision on the HMS Tamar in public, I hope they will carry on discussing with us confidentially just as before," the source said.

Both sides met yesterday in a routine meeting attended by Mr Wang Jiaji of the Chinese side.

Asked if the HMS Tamar decision was explained to the Chinese side, the source said the Chinese knew why the decision was taken.

"We did not have any formal discussion on the topic... we will have an exchange with the Chinese side over the defence land issue," the source said.

He said pressing economic reasons were behind the decision and he hoped the Chinese side could be persuaded to agree.

He said there was no agreement or understanding in the JLG that the relocation decision should be bilateral.

"Obviously, it would be better if they were entirely satisfied before the decision was made but life is not always ideal.

"We do not accept that the Chinese side has veto over any decision affecting any piece of land."

He said the British garrison had always had a close and satisfactory working relationship with the Hong Kong Government.

"Whenever the Hong Kong Government wants military land back, it gets it back and provides the facilities needed elsewhere," the source said.

He said the British side hoped a similar relationship would continue after 1997 between the People's Liberation Army and the SAR [Special Administrative Region] government.

"The task we have now is in that direction and I hope the Tamar issue will not prevent this process."

He said the British Forces were content to move to Stonecutters Island but that did not mean the Chinese should station forces there after 1997.

The source said the Tamar issue had affected the atmosphere of JLG talks but had not damaged the relationship.

"We can still have discussions on topics such as the localization of laws and air services agreements."

Meanwhile, the Chinese Foreign Ministry said the British Government had no right to unilaterally move the base.

"We hold that the above question must be settled by China and Britain through discussions in the JLG," the ministry said.

Government Passes New Rules for Refugee Centers

*OW1910214489 Beijing XINHUA in English
1553 GMT 19 Oct 89*

[Text] Hong Kong, October 18 (XINHUA)—Vietnamese boat people could face up to six months' imprisonment and a fine of 5,000 H.K. dollars for misconduct in detention centers in Hong Kong.

Under the Immigration (Amendment) (No.3) Bill passed by the Legislative Council today, the boat people are subject to such penalties if they attempt to escape from a detention center, are caught possessing home-made weapons or if they try to enter other detention centers illegally.

The current practice is to apply sections of the prison rules in detention centers and this has not been entirely satisfactory, according to a government spokesman.

Geoffrey Barnes, the secretary for security, explained that prior to June 16 last year, Vietnamese boat people arriving in Hong Kong were automatically granted refugee status.

"Since June 16, 1988, all Vietnamese boat people arriving in Hong Kong have been, and are, treated as illegal immigrants unless, after screening, they are accorded refugee status," he said.

As no provision existed for the secretary for security to make rules specifically for these Vietnamese boat people, the bill passed today included in the immigration ordinance the necessary provision to allow the secretary to make such rules, Barnes explained.

He said that more than 42,000 Vietnamese had arrived in Hong Kong since June 16 last year and a large number of detention centers had had to be established to cope with the influx.

Local press reported that Hong Kong is facing an acute shortage of accommodation for the boat people from Vietnam. It is feared that the new arrivals have to live on their own boats even in rainy seasons.

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